Par. S.2.1.1.52
850

Saturday,
21st November, 1953

PARLIAMENTARY DEBATES

HOUSE OF THE PEOPLE

OFFICIAL REPORT

PARLIAMENT SECRETARIAT
NEW DELHI

Price Six Annas (Inland)
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THE
PARLIAMENTARY DEBATES
(Part I—Questions and Answers)
OFFICIAL REPORT

No. 2.5214
24.11.53

HOUSE OF THE PEOPLE

Saturday, 21st November, 1953

The House met at Half Past One of the Clock.

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

TELEPHONE OPERATORS

*153. **Sardar Hukam Singh:** Will the Minister of **Communications** be pleased to state whether any decision had been taken to raise the pay of telephone operators or to grant special allowances to linemen who are engaged in jungle areas?

The Deputy Minister of Communications (Shri Raj Bahadur): No proposal to raise the pay of Telephone Operators is under consideration. As regards the proposal to sanction special allowance to linemen working in remote, or difficult areas, the matter is under examination.

Sardar Hukam Singh: May I know whether these posts and telegraphs employees put in several demands before the hon. Minister at their convention at Ludhiana?

Shri Raj Bahadur: There were several demands that were made, but they were not officially communicated to me in writing. As a matter of fact, we have fixed the pay of these operators on the same scale as that of clerks.

Sardar Hukam Singh: May I know whether the hon. Minister has asked the Postmasters-General to look into the fact that 60 per cent. of the postal employees are temporary?

Shri Raj Bahadur: That is a different demand, but I have asked him to look into it but, I also asked the union to give the P.M.G. in a concrete form the number and description of such persons who are temporary, so that their specific cases may be investigated into; that has not been done by the union, so far as I know.

Shri N. Sreekantan Nair: May I know whether the Government intend, in order to increase efficiency, to give any consolidated amount to unmarried women operators for marriage?

Shri Raj Bahadur: It is a suggestion for action, Sir.

Mr. Speaker: Next question.

DELHI-KABUL AIR SERVICE

*154. **Sardar Hukam Singh:** (a) Will the Minister of **Communications** be pleased to state whether the New Delhi-Kabul Air Route is going to be regularly worked as a service?

(b) What is the time taken for one way flight and which are the halting stations?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) A weekly air service commenced operating on the route Delhi-Amritsar-Lahore-Kabul-Kandahar from the 7th November, 1953. The service leaves Delhi on Saturdays for Kabul and Kandahar and returns to Delhi on Sundays.

(b) 9 hours and 15 minutes. The intermediate halts are Amritsar, Lahore and Kabul.

Sardar Hukam Singh: What is the fare charged?

Shri Raj Bahadur: One-way fare from Delhi to Amritsar Rs. 65; Delhi to Kabul Rs. 240; round trip Rs. 456.

Sardar Hukam Singh: Is it contemplated to increase the frequency or would it be kept at this rate?

Shri Raj Bahadur: That depends upon the availability of traffic.

CONCENTRATION CAMPS FOR CATTLE

*157. **Dr. Ram Subhag Singh:** (a) Will the Minister of **Food and Agriculture** be pleased to state whether the Government of India have opened on their own, or, under the joint auspices of any State and Central Governments any concentration camps for unproductive, old and decrepit cattle?

(b) If so, where and how many?

(c) Since when are the camps functioning?

(d) How many heads of cattle have been provided shelter in the camps at present?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Yes.

(b) and (c). A statement is laid on the Table of the House.

(d) 777.

STATEMENT

Name of State	No. of Gosadans established	Date on which established
Bihar .	2	One from October 1952 and the other from July, 1953.
Bhopal .	1	June, 1953.
Vindhya Pradesh.	1	April, 1953.
Tripura	1	Feb., 1953

सेठ गोविन्द दास : क्या यह बात सही है कि सरकारी योजना के अनुसार इन गोसदनों की संख्या जितनी होनी चाहिये उस से कम हुई है और यदि यह बात सही है तो इनकी कमी का क्या कारण है ?

श्री एम० वी० कृष्णप्पा : यह बात ठीक है ।

According to the Five Year Plan, we are to start 160 gosadans. In 1952-53 we ought to have started 35, but owing to the lack of funds with State Governments and non-availability of suitable lands where these gosadans could be started, the figure is only 9.

Dr. Ram Subhag Singh: May I know the contemplated number of decrepit cattle for which Government propose to provide shelter during the full course of the Five Year Plan?

Shri M. V. Krishnappa: By the end of the Five Year Plan period, we are to start 160 gosadans and each gosadan will contain about 2,000 cattle.

Dr. Ram Subhag Singh: May I know whether Government are segregating decrepit cattle simultaneously with the opening-up of the key-village scheme?

Shri M. V. Krishnappa: That is being done.

Dr. Ram Subhag Singh: How many have been segregated so far?

Shri M. V. Krishnappa: For this figure, he may table a separate question.

सेठ गोविन्द दास : इस वर्ष के अन्त तक और कितने गोसदनों की स्थापना की सम्भावना है और कितने राज्यों से इस सम्बन्ध में बातचीत चल रही है ?

खाद्य तथा कृषि मंत्री (श्री किदवई) : सभी रियासतों से बातचीत चल रही है और जो रियासत इन्तजाम कर सकेंगी वहां वहां बन जायेंगे ।

यात्रा अभिकरण

*१५८. **सेठ गोविन्द दास** : क्या रेल-मंत्री यह बताने की कृपा करेंगे :

(क) दिल्ली में यात्रा अभिकरणों की संख्या क्या है;

(ख) सरकार उन को क्या सुविधायें देती है; तथा

(ग) प्रति यात्री-टिकट पर उन को कितना कमीशन मिलता है ?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Presumably the reference is to Tourist Agents recognised by Government. If so, the number is seven.

(b) and (c). Recognized Tourist Agents are allowed a commission on the sale of air-conditioned, first and second class rail tickets issued by them. The rate of this commission is 10 per cent. in the case of tickets sold to *bona fide* overseas tourists and 5 per cent. in the case of tickets sold to others. As Government recognised tourist agents, these agencies receive certain facilities such as free mention of their names in Government tourist publications and free supply of Government tourist literature.

सेठ गोविन्द दास : इन अभिकरणों में, जिन की संख्या अभी माननीय मंत्री जी ने सात बतलाई, क्या ये सब हमारे देश के हैं, या कोई विदेशी भी हैं ?

श्री अलगेशन : कोई विदेशी भी हैं ।

सेठ गोविन्द दास : विदेशियों की कितनी संख्या है और हमारे देश की संस्थाओं की संख्या कितनी है ?

श्री अलगेशन : मैं नाम पढ़ सकता हूं, अमेरिकन एक्सप्रैस कम्पनी, काक्स एंड किन्ज ।

Mr. Speaker: He does not want the names, but perhaps from the names he may know whether they are Indian-owned or foreign-owned.

Shri Alagesan: Some are English names, but I am not quite sure whether they are Indian-owned or foreign-owned.

सेठ गोविन्द दास : स्वराज्य होने के बाद से इन की स्थापना हुई है या ये अंग्रेजी राज के वक्त से ही चली आ रही हैं ?

श्री अलगेशन : यह पहले से काम कर रहे थे ।

Shri B. S. Murthy: May I know whether new travel agencies are to be recognised; if so, what are the conditions prescribed for their recognition?

Shri Alagesan: Their applications are invited once in a year and the condition is that the concerns should have been actively engaged in tourist traffic promotion at least for a year before they apply.

Flood Relief Measures in Bihar

*161. **Shri Amjad Ali:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the State Government of Bihar have approached the Central Government for funds to repair extensive damage done to embankments, roads, culverts, bridges, school and other public buildings in rural areas; and

(b) if so, how much and what amount has been sanctioned for which particular works of relief and repairs to damages?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Yes.

(b) The Government of India have agreed to meet half the expenditure incurred by the State Government on gratuitous relief, subject to a maximum of Rs. 60 lakhs and also to assist the State Government by purchasing securities held by them.

Shri Amjad Ali: My question was with regard to funds for repairs to extensive damage done to embankments, roads, culverts, bridges etc. How the Food and Agriculture Ministry comes to tackle this? May I also know from the hon. Minister the extent of damage done to the crops in Bihar by the floods?

Shri M. V. Krishnappa: We have replied to the first part of his question. Regarding the second part, the hon. Member is correct: the Finance Ministry is the appropriate Ministry he should address.

Regarding the damage done to the crops, according to the tentative figure we got from the first report, it was 23,63,471 acres; the number of houses damaged during the rains 84,000; the total loss on account of damage to crops, houses, roads, buildings, embankments etc. estimated to be about Rs. 35 crores. The extent of damage to paddy crops is estimated at 50 per cent.

Shri Nanadas: May I know whether similar help will be given to Godawari-flood affected areas?

Mr. Speaker: Order, order. Each case has to be considered on its own merits.

Pandit D. N. Tiwary: May I know whether the gratuitous relief so far distributed is to the tune of Rs. 2 crores and if so whether Government are going to pay the balance of Rs. 40 lakhs or more if the contribution so far is less than half?

Shri M. V. Krishnappa: According to our promise, the figure is only Rs. 60 lakhs.

Shri L. N. Mishra: May I know the quantity and kind of foodgrains allotted to Bihar for sale at subsidised rates in the flood affected areas?

The Minister of Food and Agriculture (Shri Kidwai): Whatever they wanted has been given and whatever they want will be given.

NEW VARIETIES OF WHEAT

*162. **Shri D. C. Sharma:** (a) Will the Minister of **Food and Agriculture** be pleased to state whether any new varieties of wheat have been developed at Agricultural Research Stations in India?

(b) If so, are they being tried anywhere?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Yes.

(b) Yes, in Punjab, Bombay, Madhya Pradesh, Himachal Pradesh, Rajasthan, U.P., West Bengal and Bihar.

Shri D. C. Sharma: May I know, Sir, in what way these new varieties differ from the old varieties?

Shri M. V. Krishnappa: It has been proved in practice that these new varieties, that have been evolved in our Institute, are rust-resistent varieties and give also greater yields.

Shri D. C. Sharma: May I know, Sir, for how many acres approximately these new varieties have been tried in the States referred to in the answer to part (b)?

Shri M. V. Krishnappa: It has been tried in all these States, but if the hon. Member wants to know the exact figures, I will give him later.

Shri Muniswamy: May I know, Sir, in how many research stations this research is now being carried on?

Shri M. V. Krishnappa: It was carried on in our main institute, the Pusa Institute.

Shri B. K. Chaudhuri: May I know, Sir, whether any kind of wheat cultivation has been developed in Assam?

The Minister of Food and Agriculture (Shri Kidwai): We will enquire from the Assam Government and then give an answer.

Shri B. K. Chaudhuri: I could not follow the answer.

Mr. Speaker: The answer is that the hon. Minister will enquire from the

Assam Government and then answer the question.

EMBEZZLEMENT AND MAIL ROBBERIES

*163. **Shri Nageshwar Prasad Sinha:** (a) Will the Minister of **Communications** be pleased to state how many employees of the Posts and Telegraphs Department were prosecuted for criminal offences of embezzlement of Government money during the years 1951-52, 1952-53 and till August in 1953?

(b) What was the total amount involved?

(c) How much has been recovered and how much written off?

(d) How many mail-robberies were committed on R.M.S. during the above period?

(e) What was the number of offenders traced, arrested and brought to trial?

The Deputy Minister of Communications (Shri Raj Bahadur):

(a) 1951-52 . 1,052
1952-53 . . 1,073
April 53 to August, 53. 194

Rs.

(b) 1951-52 . 4,72,283
1952-53 . 5,76,125
(c)—April 53 to August, 53. 1,37,625-10-10

	Amount recovered	*Amount written off*
	Rs.	Rs.
1951-52 . .	60,416	7,731
1952-53 . .	72,408	92
April 53 to August, 53. .	31,888/14/3	Nil

(d) 1951-52 . . 2
1952-53 . . 1
April 53 to August, 53. . Nil

(e) Three offenders responsible for mail robberies in R.M.S. during 1951-52 were traced, brought to trial and convicted by Courts. No offender could be traced by Police in the case of mail robbery committed in R.M.S. during 1952-53.

Shri Nageshwar Prasad Sinha: May I know the procedure adopted for making recovery of these amounts from those persons who are found guilty by courts?

Shri Raj Bahadur: In cases where they are found guilty by courts and the responsibility for the guilt is fixed on one particular individual, the amount is recovered from him. In cases where no one has been punished, but the losses result from negligence of a number of officers concerned, it is recovered from all of them.

Shri Nageshwar Prasad Sinha: May I know the percentage of cases in which the persons have been acquitted and what steps have been taken against those guilty persons who are acquitted?

Shri Raj Bahadur: I can only state the number of persons proceeded against departmentally and punished. The number of persons punished during 1951-52 was 96 and during 1952-53 it was 93.

Shri Dabhi: May I know whether sufficient securities are not being taken from postal employees who are to handle Government moneys?

Shri Raj Bahadur: Security is not taken from all postal employees, but only from such employees as handle Government money, particularly, for instance, from branch Post Masters.

Shri Nanadas: May I know the steps taken by Government to eradicate this kind of offence and with what results?

Shri Raj Bahadur: It only means the tightening up of supervision and that we are doing. As the hon. Member is aware and the House also is aware, the number of post offices in India has increased enormously and the traffic also has increased enormously, but the strength of supervisory staff has not been increased proportionately, and much of the evil is on that account.

RAILWAY SUPERVISORY STAFF

*164. **Shri S. C. Samanta:** Will the Minister of **Railways** be pleased to state:

(a) whether it is a fact that the pay scales for the supervisory staff on Railways vary in different zones and in some cases those who supervise receive less than those whose works are supervised; and

(b) if so, in how many cases?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). Uniformity in the pay scales of staff doing the same kind of work has been achieved by the implementation of the recommendations of the C.P.C. and subsequently of the J.A.C., but there may be a few instances in which persons having the same designation have been allotted different scales of pay. Government are not aware of any cases where the supervisors are in a lower scale of pay than the supervised.

Shri S. C. Samanta: May I know, Sir, whether Government is aware that the claims inspectors in the old Assam Railway gets a scale of Rs. 125—225 and in O.T. Section they get a scale of Rs. 200—300?

Shri Alagesan: Although the designation is the same, the duties and responsibilities shouldered by these men in the O.T. Section may be higher and so they may be getting a higher scale.

Shri S. C. Samanta: May I know whether it is a fact that T.A. is not allowed to these supervisory people, who are even engineers, unless they work more than 12 hours a day?

Shri Alagesan: I cannot answer the question off-hand.

Shri Frank Anthony: Have any cases been brought to the notice of the Railway Ministry where supervisory staff, such as Station Masters and Assistant Station Masters, are on a lower scale or getting less pay than their subordinates, such as Head Ticket Collectors and Chief Parcel Clerks?

Shri Alagesan: One case, where a Station Master was getting a lesser scale than a Booking Clerk, was brought to our notice and it was rectified.

Sardar A. S. Saigal: May I know the special reasons for the difference in the scales of pay in the different zones?

Mr. Speaker: Will the Government examine that question?

Shri Alagesan: It is not the case, Sir.

Shri S. C. Samanta: May I know, Sir, whether the Inspectors' Association submitted three years ago any resolutions to the Ministry of Railways and whether those resolutions have been acknowledged?

Mr. Speaker: I do not think it is proper or right to put questions in support of representations submitted by various Unions to Government. Such matters should be pursued privately with the Ministers concerned.

LABOUR OFFICERS

*165. **Shri S. C. Samanta:** Will the Minister of **Labour** be pleased to state:

(a) how many Labour Officers are at present under training for diploma or degree course in social work;

(b) how many of them are from the Central Government and how many from State Governments; and

(c) the places and institutions where this training is being given?

The Deputy Minister of Labour (Shri Abid Ali): (a) Fifteen.

(b) 9 from the Central Government and 6 from the State Governments.

(c) At Calcutta by the Calcutta University.

Shri S. C. Samanta: May I know, Sir, whether over and above the training given to Labour Officers, outsiders are also taken in by the Central Government for this training?

Shri Abid Ali: Yes, Sir. This training is given to Labour Officers who

are already in Government Service. Besides this, there are a large number of outsiders who are taken in for the training in the various training centres.

Shri S. C. Samanta: May I know, Sir, whether Labour Officers' (Central Pool) recruitment and condition of service have been revised and expedited?

Shri Abid Ali: This is a quite separate question and if the hon. Member gives notice, I shall be able to supply the information.

Shri B. S. Murthy: May I know to what extent the training gives here differs from that given in Schools like the Tata Social Institute in Bombay and elsewhere?

Shri Abid Ali: The training is similar in almost all the subjects, but the course here is for 6 months, instead of 2 years in other Institutes.

EXTENSION OF TELE-COMMUNICATIONS

*166. **Shri Muniswamy:** (a) Will the Minister of **Communications** be pleased to state how many new Telegraph Offices have been opened in India according to the latest Government policy to extend tele-communication facilities to undeveloped areas?

(b) How many of them were opened in the State of Madras?

(c) How many new public call offices have been opened in the country and how many of them in the State of Madras?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) and (b). The revised policy was announced in the Press Note dated 19th September 1953. Heads of Circles who were called here for a Conference towards the end of last month have been instructed to re-examine all cases of sub-divisional and tehsil stations, etc., and to expedite issue of sanction for offices fulfilling the liberalised conditions. A list of such places should become available early next year. Steps will be taken to open as many of them as possible before 31st March 1954.

(c) 40 public call offices have so far been opened during 1953-54, out of which 7 are in Madras State.

Shri Muniswamy: In view of the fact that the Department is already under-staffed, do Government intend issuing instructions to the P.M.G.'s to open more training classes for telegraph signallers?

Shri Raj Bahadur: We are making proper arrangements for training of signallers.

Shri Muniswamy: May I know, Sir, whether this scheme can be carried out with the scientists available in the country, or have we to import scientists from foreign countries?

Shri Raj Bahadur: For the opening of small telegraph classes we need not have to import scientists from abroad.

FRAUDS IN P. & T. DEPARTMENT

*167. **Shri Muniswamy:** (a) Will the Minister of **Communications** be pleased to state how many cases of fraud have been detected State-wise in the Posts and Telegraphs Department during the years 1951-52 and 1952-53?

(b) What is the total amount involved?

(c) What steps are being taken to prevent such offences in future?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) State-wise figures are not maintained. A statement giving the Circle-wise figures and cases instituted is placed on the Table of the House. [*See* Appendix II, annexure No. 1.] 1,038 cases in 1951-52 and 1,207 cases in 1952-53.

(b) The total amount involved in these cases was Rs. 5,78,000 in 1951-52 and Rs. 6,81,000 approximately in 1952-53.

(c) All cases of fraud are immediately reported to the Police. Every assistance is given by the Departmental Officers for investigation. The culprits are eventually prosecuted. Losses caused to the Government are recovered from those who by their

negligence have facilitated or contributed to the commission of the fraud. Steps have also been taken to tighten the supervision and to reorganise the Investigation Sections in the Directorate and States. Strengthening of the Supervisory Staff, which has not been increased proportionately with the rise in traffic and expansion of the P. & T. facilities in the country, is also under consideration of the Government.

Shri Muniswamy: May I know, Sir, whether it is a fact that the departmental rules are such that it becomes, in most cases, impossible to fix the direct responsibility on the actual culprits?

Shri Raj Bahadur: The truth is otherwise. As a matter of fact, if the departmental rules are strictly observed such frauds would become impossible. Only through laxity in the observance of rules by delinquent officials that such cases occur.

Shri Muniswamy: From the statement it is observed that the number of cases in 1952-53 has increased by about 200, as compared with the previous year. Does it mean that Government have failed to take adequate steps?

Shri Raj Bahadur: Again, the increase in traffic was much more in proportion to the increase in the number of cases.

Shri S. C. Samanta: May I know, Sir, whether it is a fact that most of these cases were detected in extra-departmental branch post offices?

Shri Raj Bahadur: I will not say most of them; but a good number of them were detected in extra departmental post offices.

Shri Muniswamy: Out of the cases mentioned by the Minister, may I know the number that ended in conviction in courts and the number against whom departmental action was taken?

Shri Raj Bahadur: The number of officials convicted by courts in 1951-52 was 145 and in 1952-53 131. The number punished departmentally I have already given—96 and 93 respectively. Officers still under trial 288 in 1951-52 and 248 in 1952-53. Number of officers against whom police or departmental action was taken 396 and 462: acquitted by courts 52 and 97 respectively unaccounted for: died, absconded, etc. 69 and 42.

NICOTINE MANUFACTURE FROM TOBACCO

*168. **Shri Dabhi:** Will the Minister of **Food and Agriculture** be pleased to refer to supplementary to starred question No. 1194 answered on the 10th September, 1953 and state:

(a) whether experiments for the manufacture of nicotine from tobacco dust are being carried on in any Tobacco Research Stations in the Country; and

(b) if so, what progress has been made in this direction?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) No.

(b) Does not arise.

Shri Nanadas: May I know, Sir, whether in our own country this kind of research is carried out and if so with what results?

Shri M. V. Krishnappa: I have not got the information.

The Minister of Food and Agriculture (Shri Kidwai): If that is a suggestion for making enquiries, it will be considered.

Shri Dabhi: Is it a fact that nicotine can be manufactured from tobacco dust?

Shri M. V. Krishnappa: It is a fact. Since our research stations are mainly concerned with improving the quality and yield of tobacco, we have not carried out any experiments in that direction. We have, however, requested the scientific research laboratories to investigate it and they have by their investigations found out a plan. They are doing it and they are successful.

RAILWAY CO-OPERATIVE SOCIETIES

*169. **Shri T. B. Vittal Rao:** (a) Will the Minister of **Railways** be pleased to refer to the reply given to starred question No. 1391 asked on the 18th September, 1953 and state whether the examination of the report submitted in September, 1952 by the Special Officer appointed to conduct a survey of Co-operative Societies on Railways has since been concluded?

(b) If so, do Government propose to lay a copy of the same together with their recommendations on the Table of the House?

(c) Is it a fact that some of the credit Co-operative Societies on the railways have their accounts with the foreign banks still?

(d) What steps, if any, do Government propose to take in this respect?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) and (b). Yes. A statement is laid on the Table of the House giving the chief recommendations of the Special Officer in his survey report [*See* Appendix II, annexure No. 2.]

The Report is under print and copies will be placed on the Table of the House in due course.

(c) Yes.

(d) No proposal in this respect is under consideration of Government at present.

Shri T. B. Vittal Rao: The statement enumerates 22 recommendations. Have all these recommendations been accepted by Government?

Shri Alagesan: Some of them have been accepted, Sir, but if the hon Member puts down a separate question I shall be glad to answer it.

Shri T. B. Vittal Rao: Especially the one recommending issue of free passes to office bearers and staff of the Stores for attending conferences, making purchases from wholesale centres, etc?

Shri Alagesan: I cannot say off-hand.

Shri N. M. Lingam: May I know the present membership of railway co-operative societies?

Shri Alagesan: I do not know the present membership, but there are about thirty-two societies working.

Shri T. B. Vittal Rao: May I know the reasons for allowing some of these societies to have their accounts with foreign banks?

Shri Alagesan: They are scheduled banks. In fact, one of the banks, I understand, charges lesser rate of interest than even Indian banks.

MISLOADING OF WAGONS AT MODINAGAR

*170. **Shri T. B. Vittal Rao:** (a) Will the Minister of **Railways** be pleased to refer to the reply given to starred question No. 1008 asked on the 3rd September, 1953 and state whether the report of the joint enquiry conducted against the seven railway officials involved in the misloading of the wagons at Modinagar has since been received?

(b) What action has been taken against the officials concerned?

(c) Do Government propose to lay a copy of the report on the Table of the House?

(d) What is the total amount recovered from Modi Industries for payment to the claimants?

(e) Had railways to incur any loss in this connection?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Yes.

(b) The Report is under scrutiny by the competent authority and final orders will be passed shortly.

(c) No.

(d) A sum of Rs. 70,917/5/4 has been recovered from the Modi Industries for payment to the claimants.

(e) It is not anticipated that the Railway will be put to any loss in this case.

Shri T. B. Vittal Rao: May I know, Sir, the total amount of claims made on the Railways for misloading of the wagons?

Shri Alagesan: As I said, Sir about Rs. 70 thousand have been recovered from them. Apart from that as a result of a decree the Mody Company has paid Rs. 11,000 and odd.

Mr. Speaker: What was the total claim made?

Shri Alagesan: Rs. 99,540.

Shri T. B. Vittal Rao: Are any of these employees under suspension and if so is any subsistence allowance being granted to them?

Shri Alagesan: 14 railway employees are involved in this case. Seven of them have already left—either retired or gone to Pakistan, etc. The enquiry against the rest is proceeding.

Shri T. B. Vittal Rao: Are Government aware of the fact that some of these railway employees are under the service of Mody Industries today?

Shri Alagesan: That we are not aware of.

CONTRACT FOR RAILWAY BOGIE UNDER FRAMES

*171. **Shri T. B. Vittal Rao:** (a) Will the Minister of **Railways** be pleased to refer to the reply given to starred question No. 1290 asked on the 15th September, 1953 and state whether Government propose to invoke the penalty provisions of the agreement, for failure on the part of the Belgian firm to supply the bogie under-frames indented for in 1952?

(b) If not, what course of action is contemplated?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) The contract provides for deduction or recovery from the contractors liquidated damages in the event of failure on their part to have the under-frames ready for delivery by the time stipulated if the delay shall have arisen from any cause which the Director General, India Store Department may admit as unreasonable ground for further time. The Director General, India Store Department, London, who placed the contract will, no doubt, take the delay and reasons leading to it into consideration when he makes payments against the order.

(b) Does not arise.

Shri T. B. Vittal Rao: May I know if any advice has since been received as to the likely dates when these underframes will be despatched?

Shri Alagesan: Sir, 200 under-frames have already been shipped. About 60 will be shortly shipped.

Shri T. B. Vittal Rao: How many of these under-frames will be sent to the Hindustan Aircraft Factory?

Shri Alagesan: That I cannot say.

HYDERABAD POSTAL CIRCLE

*172. **Shri B. Y. Reddi:** (a) Will the Minister of **Communications** be pleased to refer to the answer given to starred question No. 1009 asked on the 3rd September, 1953, and state what decision has since been reached regarding raising of the status of the Hyderabad Circle?

(b) If not, what are the reasons for the delay in arriving at a decision?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) The question is still under examination.

(b) For a firm final decision posible recommendations of the proposed Boundary Commission have also to be awaited, apart from the general question of reorganisation of certain P. & T. Circles.

Shri Nanadas: By what time will a decision be taken?

Shri Raj Bahadur: I would refer the hon. Member to my reply to part (b) of the question.

Shri Nanadas: Am I to understand then that there will be only one postal circle for Andhra and Hyderabad?

Shri Raj Bahadur: That depends upon the ultimate destiny of Hyderabad itself.

Shri T. B. Vittal Rao: Does the hon. Minister mean that the solution of the question will depend upon the disintegration of Hyderabad?

Shri Raj Bahadur: We are not influenced by considerations of the boundary of States, but we have to see that we have got a reasonable adjustment of the boundaries of circles.

NEW LOCOMOTIVES

*173. **Shri B. Y. Reddi:** Will the Minister of **Railways** be pleased to state:

(a) the number of new Locomotive engines put on the rails during the half year 1st April 1953 to 30th September 1953;

(b) out of these the number imported and the value thereof in rupees;

(c) the value of those of indigenous manufacture; and

(d) how many over-aged engines were put off the rails during this period?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) 84 locomotives.

(b) 54 locomotives.

Rs. 150 lakhs.

(c) Rs. 135 lakhs.

(d) 71 locomotives which were both overage and in a condition of advanced deterioration.

Shri Frank Anthony: May I know whether any of these locomotives are of the W. P. type?

Shri Alagesan: You mean the imported ones?

Shri Frank Anthony: Yes.

Shri Alagesan: Yes, Sir.

Shri Frank Anthony: Is it a fact that many of these W. P. engines have cracked up within a few years of their being imported and had to be laid off?

Shri Alagesan: Sir, the question was raised even before on the floor of this House. It is true that the cylinders of some of the W. P. and W. G. engines cracked, but they were set right.

Shri Jethalal Joshi: May I know whether the Government have placed orders for 750 locomotives with certain foreign firms at a cost of Rs. 100 crores?

Shri Alagesan: Not 750 but for a lesser number. I cannot give the number off-hand.

Shri T. S. A. Chettiar: May I know how many of these engines were metre gauge and how many broad gauge—those of indigenous manufacture?

Shri Alagesan: Sixteen broad gauge and fourteen metre gauge.

Shri T. S. A. Chettiar: What is their productive capacity?

Mr. Speaker: I am going to the next question.

Shri Nanadas: May I know whether these over-aged engines are used for goods trains or for passenger trains?

Shri Alagesan: Perhaps both. I am not quite aware.

COWDUNG GAS

*174. **Shri B. K. Das:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the experiments for finding out a method of producing cowdung gas and using it for domestic and industrial purposes have been successful;

(b) if so, what are the difficulties in introducing it on a large scale; and

(c) whether any agency, official or non-official, has been working to that end?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Experiments on producing gas from cowdung are in progress and have

been successful in producing gas for use in laboratories. Trials in hand are expected to help determine the economic size of plant suitable for domestic and other purposes.

(b) These can be assessed, only after the trials have been completed.

(c) Yes. The following agencies have the work in hand:

Official—

(1) Indian Agricultural Research Institute, New Delhi.

(2) Local Self Government Department, U. P.

(3) West Bengal Government at their Haringhatta Farm.

Non-Official Agencies—

(1) Shri Jashbhai Patel, Bombay.

(2) Walchand Nagar Industries (Poona).

(3) Greater Bombay Municipal Corporation.

(4) Khadi Pretisthan, Sodepur, Distt. 24-Parganas, West Bengal.

Shri B. K. Das: How long is the experiment being carried on in the Pusa Institute?

Shri M. V. Krishnappa: We have carried on with a pilot plant at the Agricultural Research Institute, Pusa. We have been successful. The plant has been put into routine operation and produces 1·23 cubic feet of combustible gas for 1 lb. of cowdung.

Shri B. K. Das: May I know the cost involved?

Shri M. V. Krishnappa: It is still in the experimental stage and we have no idea of the cost..

Shri B. K. Das: Are Government giving any help to non-official organisations also for carrying on the experiment?

Shri M. V. Krishnappa: Not yet. We want to consider this question and we feel that further investigations are necessary before recommending this to the public.

Shri A. M. Thomas: In view of the fact that cow dung is a cheap manure for Indian agriculture and experts have condemned the practice in rural parts of utilising cowdung for fuel, does Government seriously contemplate to encourage the practice of utilising cow dung for gas purposes?

Shri M. V. Krishnappa: That is one of the reason, namely to save cowdung which is a very useful manure but which is being used as fuel in North India; to economise it we have thought of these things.

Mr. Speaker: I am going to the next question.

Shri A. M. Thomas: I think, Sir, the hon. Minister has not understood my question.

Mr. Speaker: I have already passed to the next question.

TECHNICAL EXPERTS COMMITTEE

*176. **Th. Lakshman Singh Charak:** (a) Will the Minister of **Communications** be pleased to state whether a Technical (Removal of Anomalies) Experts Committee to examine the classification of industrial employees of the Posts and Telegraphs workshops has been constituted?

(b) What are the terms of reference and by what time the report will be submitted to Government?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes.

(b) The terms of reference of the Committee are:—

(i) To examine and suggest remedies to remove the existing anomalies, if any, in regard to classification of groups as well as individuals.

(ii) To examine as to whether more categories of workers should be given special allowance which is already being given to certain categories of workers in tarring and Galvanizing shops of the Workshops.

The Committee is expected to submit its report to Government early in February 1954.

ROCKBURST ENQUIRY COMMITTEE REPORT

*180. **Shri Thimmaiah:** Will the Minister of **Labour** be pleased to state:

(a) the action that Government have taken on the recommendations made by the Rockburst Enquiry Committee, Kolar Gold Fields, appointed by the Government of India in 1952;

(b) whether it is a fact that one of the members of the Committee recommended the constitution of Mining Boards, as required by the Indian Mines Act; and

(c) why this section of the Act has not been brought into force in the Mines?

The Deputy Minister of Labour (Shri Abid Ali): (a) The recommendations of the Court of Inquiry were in the nature of suggestions for implementation by the mine management. These were brought to their notice and they have implemented them.

(b) One of the Assessors, in a separate note submitted to the Court of Inquiry, had given expression to the view that the setting up of Mining Boards, as required under the Mines Act, would help to check up safety measures, etc.

(c) Implementation of this section is dependant on framing of Rules under the Act on the subject. The draft Rules are under preparation.

Shri Thimmaiah: Will Government consider the question of amending the Workmen's Compensation Act with a view to increasing the rates of compensation?

Shri Abid Ali: This is a suggestion for amending the Workmen's Compensation Act.

Shri B. S. Murthy: Is the hon. Minister in a position to say whether after the implementation of the recommendations there is any progress shown by way of there being less number of fatal accidents?

Shri Abid Ali: If the hon. Member wants figures as regards fatal accidents subsequent to this I can collect them and supply to him if notice is given.

Shri T. B. Vittal Rao: May I know whether the Canadian experts who were to enquire into this have taken up the matter and concluded their enquiry?

Shri Abid Ali: I am not aware of any Canadian experts who were to make such an enquiry.

Shri T. B. Vittal Rao: May I draw the hon. Minister's attention to the provision made in the budget for the appointment of a Canadian expert...

Mr. Speaker: This is not the time to do that, in Question Time.

MEDICINAL HERBS

*181. **Shri Jethalal Joshi:** Will the Minister of **Health** be pleased to state:

(a) whether any attempt has been made by Government regarding collection, standardisation, storage and distribution of Indian medical herbs;

(b) whether arrangements have been made for systematic investigation, research and education about these herbs; and

(c) how Government propose to utilise these herbs for the welfare of the public?

The Minister of Health (Rajkumari Amrit Kaur): (a) to (c). A statement is laid on the Table of the House. [*See* Appendix II, annexure No. 3.]

Shri Jethalal Joshi: As a result of the research conducted in so many places, may I know whether Government have any scheme before them to provide cheap, fresh and efficacious medicines prepared from these herbs to the people?

Rajkumari Amrit Kaur: When the research has been completed naturally that is the idea, that we may

be able to give cheap and effective medicines and produce them in our own country.

Shri Jethalal Joshi: May I know the specific items of which research in indigenous medicines is carried on at the Central Drug Institute at Lucknow? What are those items?

Rajkumari Amrit Kaur: I think if the hon. Member were to read the statement, he would get a very good idea of what is being done at the Drugs centre at Lucknow.

Shri Jethalal Joshi: May I know whether Government intend to make it compulsory to standardise indigenous medicines?

Rajkumari Amrit Kaur: When we have sufficient information we can do it; but not until then.

Shri N. M. Lingam: One question, Sir.

Mr. Speaker: I am calling the next question.

EMPLOYMENT EXCHANGES

*183. **Shri Bhagwat Jha:** (a) Will the Minister of **Labour** be pleased to state whether it is a fact that Employment Exchanges during the period from August to October, 1953 recorded an increase in registrations?

(b) What is the total number of unemployed as at the end of October 1953?

(c) Is it a fact that semi-skilled technicians are far more in number among those registered at the Exchanges?

The Deputy Minister of Labour (Shri Abid Ali): (a) Figures for the month of October are not yet available. There has, however, been an increase in the number of registrations during the quarter July-September, 1953, as compared to the previous quarter.

(b) The number of persons seeking employment assistance through the Employment Exchanges at the end of September, 1953, was 5,12,353.

(c) No.

Shri Bhagwat Jha: May I know if the Government propose to provide facilities for such registration in the rural areas as well?

Shri Abid Ali: It is not contemplated at present.

Pandit D. N. Tiwary: Is it a fact that registration at one place is not considered sufficient for purposes of employment at other place or zone?

Shri Abid Ali: Zones have been fixed for purposes of registration. In case there is shortage of a particular category in a particular zone, the Employment Exchange concerned asks for candidates from different zones.

Shri Bhagwat Jha: What is the percentage of unemployed persons who have been helped through these Employment Exchanges?

Shri Abid Ali: I can only give the figures of the persons who registered their desire to be served through the Employment Exchanges.

Shri Bhagwat Jha: I want to know what percentage has been helped by the Employment Exchanges. You have given figures of unemployed persons seeking employment. I want to know how many have been helped.

Shri Abid Ali: Out of the persons registered, formerly it was 25 to 30 per cent; now it is less.

TRAINING CENTRES

*184. **Shri Bhagwat Jha:** (a) Will the Minister of **Labour** be pleased to state what is the number of persons receiving training at different centres under the Ministry and what are the centres imparting training?

(b) Are there women also among the trainees?

(c) Is there any apprenticeship training scheme for displaced persons?

The Deputy Minister of Labour (Shri Abid Ali): (a) The number of persons undergoing training, at present, is 9,701. A list showing the names of the Training Centres functioning under the Ministry of Labour is placed on the Table of the House. [*See* Appendix II, annexure No. 4]

(b) Yes.

(c) Yes.

Shri Bhagwat Jha: May I know whether, after the completion of such training, the Government guarantee jobs to such persons?

Shri Abid Ali: No, we do not guarantee jobs.

Shri Bhagwat Jha: May I know who bear the cost of such training: either the Government or the trainee or both?

Shri Abid Ali: The cost of training is, of course, borne by the Government, Central and State. Fifty per cent of the trainees are given stipends.

Shri D. C. Sharma: May I know if Government is taking into account the shortages in the field of skilled labour and providing for training to meet this shortage?

Shri Abid Ali: I have not been able to follow the question.

Shri D. C. Sharma: There are certain categories of skilled and technical labour for which there is shortage in this country. Are we making any provision for completing that shortage?

Shri Abid Ali: The intention of the Centres is to train technicians for whom there is more demand than the supply.

Sardar A. S. Saigal: May I know how many instructors are being trained and where?

Shri Abid Ali: We do not train Instructors in the Centres which are for training tradesmen.

Shri N. M. Lingam: One question, Sir.

Mr. Speaker: I am going to the next question.

कुम्भ मेले के समय विशेष रेल गाड़ियां

*१८५. **श्री रघुनाथ सिंह :** (क) क्या रेल मंत्री यह बताने की कृपा करेंगे कि इलाहाबाद में होने वाले आगामी कुम्भ मेले के समय विभिन्न लाइनों पर कितनी विशेष रेल गाड़ियां चलाई जायेंगी ?

(ख) क्या रेल विभाग यात्रियों को कोई विशेष सुविधायें देने पर विचार कर रहा है ?

(ग) क्या इस अवसर पर रियायती टिकट जारी किये जायेंगे ?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Consistent with the resources that can be made available for the handling of Kumbh Mela trafic, for which all possible steps are being taken, the maximum feasible number of special trains, will be run.

(b) Yes.

(c) No.

श्री रघुनाथ सिंह : कितने यात्रियों के आने की संभावना है जिन के आधार पर आप ने काम किया है ?

श्री अलगेशन : बारह लाख ।

श्री रघुनाथ सिंह : शीत काल में जो १२ लाख यात्री आवेंगे, इन की रक्षा के लिये क्या कोई इन्तज़ाम रेलवे की तरफ़ से हो रहा है ?

श्री अलगेशन : सब का इन्तज़ाम हम कर रहे हैं ।

SUGAR FACTORY AT RAYAGADA

*186. **Shri Sanganna:** (a) Will the Minister of **Food and Agriculture** be pleased to state whether the question of shifting the machinery of the sugar factory at Rayagada (Orissa) to a place outside the State has been finally decided?

(b) If so, what is the decision?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) Not yet.

(b) Does not arise.

Shri Sanganna: May I know the time that will be taken in coming to any definite conclusion?

Shri M. V. Krishnappa: In view of the circumstances explained by the Orissa Government, it has been decided not to allow the shifting of the plant till the 1953-54 season.

Shri Sanganna: May I know whether on account of this, there is a decrease in the area under sugarcane in this locality?

Shri M. V. Krishnappa: That is what is reported. The factory owners report that one of the reasons for shifting this factory to the other side was that there is no adequate supply of sugarcane to the factory.

Shri Sanganna: Are Government aware that on account of this, there is economic upheaval and crisis in this locality because most of the tribal people are working in this?

Shri M. V. Krishnappa: It has not yet been shifted. There is no question of crisis or anything of that sort.

Shri Sanganna: May I know whether Government is in a position to call for a report from the Government of Orissa enquiring about the economic condition of the locality?

Shri M. V. Krishnappa: They have sent all the details in their protest against shifting of the machinery etc. from the tribal area. They have mentioned all the details that the hon. Member wishes to put forward, in their report.

CIVIL AVIATION PILOTS

*188. **Shri N. M. Lingam:** Will the Minister of **Communications** be pleased to state:

(a) the number of foreign pilots employed in civil aviation under (i) the new air corporations and (ii) non-scheduled air lines;

(b) the number of civil pilots unemployed in the country; and

(c) whether Government have any scheme for the Indianisation of the crew in the air lines?

The Deputy Minister of Communications (Shri Raj Bahadur):

(i) Air India International. . . .2
Indian Airlines Corporation..7

(ii) Non-scheduled airlines....4

(b) There are at present 77 pilots holding current "B" licences who are unemployed. Out of these, 25 hold valid endorsements for flying Dakota type aircraft.

(c) No specific scheme for Indianisation of the crew in the airlines has been worked out. The general policy is to replace gradually the non-Indian employees by Indian personnel as the latter gain more experience.

Shri N. M. Lingam: May I know the reasons for the retention of foreign pilots when there are as many as 77 Indian pilots trained?

Shri Raj Bahadur: I may say that they are very experienced pilots and out of a totality of 322 pilots, their number is only 13, serving in the Air Indian International, Indian Air Lines Corporation and Non-scheduled air lines all put together.

Shri N. M. Lingam: How soon do Government propose to Indianise completely the pilots.

The Prime Minister (Shri Jawaharlal Nehru): We want to Indianise; but we will not Indianise at the cost of efficiency.

Shri N. M. Lingam: Is it not possible to increase the efficiency of our own pilots?

Mr. Speaker: Order, order.

Shri Jawaharlal Nehru: These are high technical efficiency matters. You cannot produce them from a box. You have to train them.

GRAIN GODOWNS

*189. **Shri K. C. Sodhia:** (a) Will the Minister of **Food and Agriculture** be pleased to state what is the total capacity of all Government foodgrains godowns?

(b) What was the total amount of rent paid for hire of godowns during the year 1952-53 and the total capacity thereof?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) The total storage accommodation owned by Central Government amount at present to 2,02,800 tons.

(b) (i) Godowns were hired by the Central Government in 1952-53 from other Ministries of the Central Government, Port Trusts, State Governments and private parties. The total rent payable to Port Trust and private parties amounted to Rs. 1,88,364 and Rs. 7,52,980 respectively. The rent payable for buildings taken over temporarily from the Defence authorities on the basis of 6 per cent. of capital value is estimated at Rs. 8,22,771. The details of rent payable to State Govts. are awaited. Payment to other Ministries as well as State Governments will be effected by book adjustment. The total amount of rent paid for hire of godowns from Port Trust and other private parties amounted to Rs. 9,41,344/-.

(ii) The total storage accommodation hired during 1952-53 amounted to 7,99,800 tons.

Shri K. C. Sodhia: Are all these godowns still in occupation or are going unused?

Shri M. V. Krishnappa: Some of them are over-flowing; some of them are half full.

Shri K. C. Sodhia: May I know how are these godowns going to be used when the import is completely stopped?

Shri M. V. Krishnappa: We have got at present a carry-over balance of nearly 6 lakhs tons of wheat and other foodgrains also.

Shri K. C. Sodhia: When the import is altogether stopped, to what use will these godowns be put?

The Minister of Food and Agriculture (Shri Kidwai): This question does not deal with imports, but when we have no imports, the local production will be stocked in these godowns, and they will be used for other purposes.

Shri N. M. Lingam: May I know the number of godowns owned by Government, their cost, and what Government proposes to do with them when control is removed?

Shri M. V. Krishnappa: The number of godowns comes to about eight, and their capacity is about 2,02,000 tons. We hope to make use of these godowns because they are very well built, and even if the Food Ministry is abolished these godowns will be made use of for a warehouse system. A warehouse system is very essential for any progressive country, and we intend to make use of these godowns for that purpose.

Shri K. C. Sodhia: Is it the policy of the Government to have floor prices for foodgrains?

Shri Kidwai: I think, Sir, this question has nothing to do with floor prices or ceilling prices.

TAKING OVER OF SUGAR FACTORIES

*191. **Dr. Amin:** (a) Will the Minister of **Food and Agriculture** be pleased to state the names of the Sugar Manufacturing Units which have been taken over by Government under the Industries (Development and Regulation) Act?

(b) What improvements have been made in their working since Government took over the control of these units?

(c) Are these units still working at a loss or profit?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): (a) to (c). A statement giving the required information, is laid on the Table of the House. [*See* Appendix II, annexure No. 5.]

Pandit C. N. Malviya: In view of the fact that the Bhopal Sugar Factory remained closed last year and the management is not satisfactory this year, does Government propose to take it over under this Act?

The Minister of Food and Agriculture (Shri Kidwai): There is no question of Government taking it over. If Government takes over the sugar industry, then they can get better machinery, better equipment, with better likelihood of production.

Pandit C. N. Malviya: Is it a fact, that the machinery is not proper?

Mr. Speaker: Let us not go into the details.

Shri Sarangadhar Das: May I know if the Chhuikhadan and Kathkuiyan factories in Uttar Pradesh have been taken over by Government?

Shri Kidwai: The Kathkuiyan factory has been taken over by Government.

Shri Sarangadhar Das: The other?

Shri Kidwai: The other has not taken over because the High Court has appointed a Receiver to manage it and we do not want to interfere with it.

Shri Nanadas: May I put Question No. 179? The same question was asked by me, but it was disallowed on the ground that this question was allowed.

Mr. Speaker: The hon. Member had tabled the same question?

Shri Nanadas: Yes.

Mr. Speaker: I take only his assurance. I need not verify it now. He can put that question.

ZONAL SYSTEM IN ANDHRA DISTRICTS

*179. **Shri Nanadas** (On behalf of **Shri Buchhikotaiah**): Will the Minister of **Food and Agriculture** be pleased to state whether it is a fact, that the Central Government have informed the Madras Government that the old Zonal system in the Andhra Districts should be continued and that rice from Andhra should be supplied to Madras as usual?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): Yes Sir; It was decided that even after the creation of Andhra the existing food zones in the States of Andhra and Madras should be left undisturbed until the new Andhra Government had time to examine and formulate their food policy.

Shri Nanadas: May I know whether the Government have received any communication from the Andhra Government to the effect that they want to do away with this zonal system?

The Minister of Food and Agriculture (Shri Kidwai): Yes.

Shri Nanadas: What decision have the Government taken?

Shri Kidwai: In the letter from the Chief Minister to me it was suggested that I should have talks with the Government and come to some decision. The talks have not been held.

Shri B. S. Murthy: In view of the harvest season being at hand, what action do Government propose to take in order to abolish these zones not wanted by the Andhra State Government?

Shri Kidwai: Discuss the matter with the Andhra Government.

Shri Muniswamy: As per the existing system, what would be the total quantity of rice that will have to be supplied by Andhra to Madras State?

Shri Kidwai: The Andhra Government have stated that they will be able to supply 3 lakhs tons to the Madras State.

Shri N. M. Lingam: Is the Government in a position to state that the present zonal system will not be disturbed and thereby allay the fears expressed by the Madras Government in this matter?

Shri Kidwai: I have not heard of any fears that the Madras Government has expressed, but I said we will discuss it with the two Governments and then decide what is best in the interests of the two States.

Dr. Lanka Sundaram: Is Government aware of the recommendation of Justice Wanchoo that an export duty of 8 annas per maund may be levied to help the Andhra Government in order to make up the deficit which is facing that Government today?

Shri Kidwai: Yes. I have read that report, but it is not our policy to allow the States to have export duty in trading with other States, especially when the other State was getting the full benefit of the production in Andhra.

Dr. Rama Rao: May I know, Sir, if the Government are aware that allowing this private trade caused the price of paddy to shoot up last year, and are Government aware that the Andhra Government are prepared to supply at Government level?

Shri Kidwai: I know that the Andhra Government is prepared to supply at Government level, but they also think they can impose a levy or surcharge of Re. 1/- per maund. But such levies are not in the interest of any party concerned.

Dr. Rama Rao *rose—*

Mr. Speaker: I do not propose to allow any further questions now. So, that finishes the Question List.

MOTION FOR ADJOURNMENT.

OFFICIALS AND OTHERS KILLED IN NORTH EAST FRONTIER AGENCY

Mr. Speaker: Before I come to the Short Notice Question, I think I should first take up the Adjournment Motion of which notice has been given to me.

I am departing from the usual precedent only on this occasion for the simple reason that the Short Notice Question has relation to the contents of the Adjournment Motion, and I am doing so particularly because I am inclined to withhold my consent to this Motion.

The Motion is:

> "The grave situation that has arisen now out of the imminent danger to the lives of the majority of the survivors including Indian Officers of the Aching Mori, Abhor Hills, massacre, whose number is not known and who are now held as hostages in the different parts of the Tribal Area in the North East Frontier Agency by the Tagin and Dafla Tribesmen who have since threatened to kill the hostages if the punitive forces are to move up, and the consequent postponement of the punitive operations from 17th November to 23rd November, 1953, in view of the threat of the said Tribesmen and the aerial survey of the Administration Unit that has shown the evacuation of the Tribal women and children into the interior and the preparation of the able-bodied Tribesmen to face the expeditionary Forces."

In the first place, this is a developing situation. I have not seen the statement, of course, of the hon. Leader of the House, but he has been requested to make a statement, and I expect he will make a full statement. This is first a subject more fit for a Short Notice Question, if at all the hon. Member wants any information, and not a subject for discussion without information on

hand. The subject is, to my mind, too delicate to be discussed immediately, and I doubt whether anything is to be discussed or can be discussed in the absence of facts. I am therefore not consenting to the moving of this adjournment motion.

I shall now call upon Shri Sarmah to put his short notice question, which calls for a statement on the subject.

ORAL ANSWERS TO QUESTIONS

Short Notice Question and Answer

OFFICIALS AND OTHERS KILLED IN NORTH EAST FRONTIER AGENCY.

SNQ. 1. Shri Sarmah: Will the **Prime Minister** be pleased to make a statement on the recent killing of Government officials and others by the tribal people in North East Frontier Agency?

The Prime Minister (Shri Jawaharlal Nehru): Before I read the statement, Sir, may I suggest that we need not take too exaggerated a view of this incident, serious and tragic as it was, and we need not imagine that any large upheaval anywhere has taken place? The facts I shall state presently when I read the statement. There is always a danger when people are kept as hostages that they might be disposed of or killed, but it is obvious that because of any such threat we cannot stop taking action because, then, that will make conditions worse. It is not correct, if I may come back to the adjournment motion, to say that we had postponed our action because of any threat. The allegations in the adjournment motion are not fully correct, and hon. Members need not be guided by newspaper reports because they are not quite accurate.

The scene of this tragedy lies near the Subansiri river in the Subansiri District of the North East Frontier Agency. The facts in brief are that on the 22nd of October, 1953 a composite column of NEFA officials, Assam Rifles and a number of village headmen, accompanied by porters, arrived at Achingmori in the afternoon. The party consisted of Major R. D. Singh, accompanied by 22 other Ranks of the Assam Rifles, one Area Superintendent, two Jamadars, two interpreters, 17 village headmen and 100 porters. The object of the party was to investigate into certain tribal feuds in this area and to distribute medicines, salt and other necessities among the tribesmen. The party found a campside cleared by the local tribesmen in this area with temporary '*bashas*' i.e. thatched huts constructed by them for the camp in an area of approximately 100 × 150 yards. All round this camp was a thick virgin forest. The Patrol Commander, Major R. D. Singh, interpreted this as a sign of friendliness on the part of the local tribesmen and did not consider it necessary to adopt the normal protective measures. The Area Superintendent's party started opening the medicine chests and issuing medicines while one of the Jamadars started collecting the salt bags for issue to the tribesmen. Just then about 10 Daflas—that is the name of that particular tribe—came to the camp for salt and asked for the sentry's permission to go inside the camp. The sentry, in turn, asked Major Singh who allowed these men to enter without taking the necessary precautions and disarming them. They were armed with *dahs* or swords, and as soon as they entered the camp, they killed the sentry. This was a signal for about 400 or 500 Daflas, who had been hiding all round the camp in the jungle, armed with *Dahs*, spears, bows and arrows. They rushed into the camp and killed the Area Superintendent and two other officials. Just then Major Singh rushed around to get the escort party together but in the process he himself was attacked and killed. According to reports received up to date, about 5 Assam Rifles men and 30 other tribesmen have been killed, making a total of about 40. The remaining 60 to 70 are reported to be held in detention by the Daflas. About half a dozen of them have since been released.

The first information regarding this incident reached Officer Commanding Gusar outpost, which is about 4 to 5 days' march from this place, on the 25th October. He sent the information to Shillong and rushed half a platoon to try to rescue the others. They could not, however, proceed beyond the first stage because the cane bridges had been destroyed by the Daflas.

On receipt of this information at Shillong, immediate steps were taken to reinforce the various outposts in the Subansiri and the Abor Hills districts and additional Assam Rifles platoons were flown to various places. Indian Air Force planes were flown practically every day over the area to reconnoitre.

The reason for the crime appears to be the traditional hostility between the Dafla tribes of the Tagin area and the Abor tribes of the Abor Hills district. Formerly, the Daflas used to extort tributes and take slaves from the Abors. Since the extension of the administration to the Abor Hills district, these exactions were stopped. It is also possible that the Daflas of the Tagin area may have resented the large number of Abor porters accompanying the party. The incident might have been averted if Major Singh had taken the necessary precautions, which are normally taken on such occasions. During the visits of two previous parties to this area there had been no such incident, because the necessary precautions had been taken.

It is difficult to get exact details of the incident and the real motive for this crime until peace and order have been restored in this area and the guilty have been brought to book. This will, naturally, take some time in view of the difficult terrain, the absence of any tracks, etc. It would have been easy enough for us to take punitive action against these simple, proud and virile people. We could have bombed their villages and killed a large number of their people. No great skill was needed for that, but we are treating the incident normally as we would treat a dacoity or a riot, the only difference being that it took place in somewhat unusual surroundings. The policy of our Government is not to strike terror or kill and destroy indiscriminately. We shall certainly restore peace and order in this area, bring to book the real offenders and ringleaders but we do not wish to punish the innocent and the misguided. We are confident that we can have the friendship and respect of these simple folk by adopting a firm, clear and sympathetic policy towards them. By adopting a strong, dignified and imaginative policy we can win their esteem and affection. We have, therefore, warned them that if they do not surrender the hostages, arms and ammunition captured by them by a certain date, action will be taken against them. Details are not yet available but information has been received that headmen of the Daflas living in the upper Tagin area have offered their services and co-operation to our outposts north of Aching Mori. We expect our land forces to enter the affected area in the last week of this month and shall be in a position to give greater details after they have restored peace and order in the affected locality.

May I further explain that this area is a completely unadministered area? There had been no kind of administration there previously—in fact not only there, but in the adjoining districts as well. Our administration has gradually spread to the adjoining districts, though even they are hard and difficult of access, owing to lack of communications, and it takes some weeks to march there. In one or two places, some airstrips have been made, and so one can go there quickly—*i.e.* a few persons, by air—but normally, of course, people have to march long distances. In this particular distant area, surrounded by forests there has been no experience thus far, for the people there, of an administration, and it is not very surprising that when they act in a manner which may not be easily understandable or very reasonable, one would not take it quite so seriously in their

case, as one would in any other case. It is our intention, as soon as these persons have been adequately dealt with, and we have spread some simple form of administration there, to send some doctors, agricultural advisers etc. in these areas also.

Shri H. N. Mukerjee *rose.*—

Mr. Speaker: I think it has been our practice not to allow any further questions by way of supplementaries, when statements are made. If hon. Members have followed the statement made by the hon. Prime Minister.....

Shri H. N. Mukerjee: Perhaps this question might elucidate a helpful answer. which will be helpful to the situation.

Mr. Speaker: The question, as I imagine, could be only about the further policy or intentions of Government, but not about the facts, because the hon. Prime Minister himself is not aware of the full facts.

Shri Jawaharlal Nehru: Possibly if I know any additional factual information, I am prepared to give it.

Shri R. K. Chaudhuri: May I point out that while submitting my short notice question on the same subject, I had specifically mentioned that I did not want a statement, because such a thing precludes us from putting supplementary questions? Some of the questions which I had raised have not been taken notice of and replied to.

Mr. Speaker: The procedure followed has been that all questions on the same subject, including the one which is allowed, and those that are disallowed, are sent at the time of considering the question, to the hon. Minister.

I have got a list of all those questions and I think.....

Shri R. K. Chaudhuri: May I point out that Mr. Sarmah wanted a statement? I did not want a statement.

Mr. Speaker: It is not a question whether the hon. Member wanted a statement or did not want one. My point is that all the information that he wanted and was in the possession of the hon. the Prime Minister is I believe covered in the statement that he has given.

Shri Algu Rai Shastri: Yes, Sir.

Shri H. N. Mukerjee: In view of the peculiar complications of the situation, I would like the Prime Minister to give us some concrete indication of those measures proposed in the direction of relief of economic distress and also regarding changing the methods of isolated, quasi-military administration of these areas. I wish the Prime Minister would give us some idea of those concrete measures—may be of a long-term nature —which Government has in view, so that such occurrences do not recur.

Shri Jawaharlal Nehru: I would gladly give as much information as I have. The hon. Member opposite refers to long-term measures. Long term measures are the measures we are taking in the other districts of the North East Frontier Agency. The very first thing necessary is the building of roads and communications; otherwise, one cannot reach there or do anything. The second thing that we have done is giving some kind of medical help and also making available agricultural advisers, i.e. giving advice on agriculture etc., and this is yielding results in these places. This particular incident has nothing to do with the measures we take or do not take. From the point of view of administrative purposes, it is a completely virgin area. As perhaps the House knows, I am a considerable admirer of these tribes of the North East Frontier. They are a fine lot of people. These Daflas, whom I have seen, are perhaps the most primitive of the people I have seen round about there. We treat them as one's children, immature children, ungrown children; we treat them firmly, if you like, but also gently and give them as much help as we can—medical, agricultural and other. Normally speaking, of course, nothing from outside has gone there; I mean to say, there they do not import or export; they live their own life in that restricted area and one does not want

suddenly to change their method of life. That upsets them completely, but we must gradually help them to help themselves.

Shri H. N. Mukerjee: There are certain economic grievances, particularly the right.....

Mr. Speaker: We are not entering into an argument here.

Shri H. N. Mukerjee: I want him to give us an assurance.....

Mr. Speaker: He has explained the point . I think the question sought to be raised is a larger question.

The House will now proceed.....

Shri Rishang Keishing: .I want a clarification from the Prime Minister about certain points. It seems that the Government of India is contemplating to take a sort of action—strong action—on these offending villagers and ringleaders. Since these Tagin tribes are still under an unadministered area and since they consider themselves as not Indian citizens, may I konw whether it will be justified on the part of the Government of India to take action on them?

Shri Jawaharlal Nehru: .The fact that that place is not an administered area does not mean that it is outside —I am not talking about law, but of practice—the territory of the Indian Union. As a matter of fact, we are administering area beyond it, the border area that is administered. We have outposts and check-posts beyond that. These are virgin forests in between and the question does not arise of their considering in a constitutional sense what their position is. I don ot think they are acquainted with any Constitution.

Shri Rishang Keishing: One more question.

Mr. Speaker: Let us go to the next item.

Shri R. K. Chaudhuri: May I ask one thing?

Mr. Speaker: No, no.

Shri R. K. Chaudhuri: To you, Sir. I want to know if any point has not been answered. I asked.....

Mr. Speaker: I am going to the next business—Papers to be laid on the Table.

Shri R. K. Chaudhuri: I am asking you, Sir. I am not putting any supplementary question.

Mr. Speaker: I shall answer.....

Shri R. K. Chaudhuri: For our guidance.

Mr. Speaker: Order, order. I shall answer all the questions in my Chamber, not here.

Shri R. K. Chaudhuri: On a specific point of order, Sir.

Mr. Speaker: Order, order.

Shri R. K. Chaudhuri: Not even a point of order?

Mr. Speaker: No, no. Not even a point of order.

Shri R. K. Chaudhuri: All right.

WRITTEN ANSWERS TO QUESTIONS

JUTE INQUIRY COMMITTEE

*152. **Shri Heda:** (a) Will the Minister of **Food and Agriculture** be pleased to state whether the committee to inquire into the problem of raw jute, has submitted its report?

(b) What are its findings?

(c) Have the Committee studied the problem of stabilisation of prices?

(d) If so, what are their recommendations in this regard?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes.

(b) A summary of the recommendations of the Committee is placed on the Table of the House. [*See* Appendix II, annexure No. 6.]

(c) No.

(d) Does not arise.

BARTER DEAL WITH RUSSIA

*155. **Shri S. N. Mishra:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that in one of the two barter deals with Russia in regard to the import of wheat, India suffered loss; and

(b) if so, to what extent and for what reasons?

The Minister of Food and Agriculture (Shri Kidwai): (a) and (b). Government of India entered into three barter deals with Russia for the import of wheat. Under these agreements, either party had to supply specified quantities of specified commodities. The full quantities specified in the Agreements were supplied by both the parties concerned and the question of any loss on the deal does not, therefore, arise.

SOIL CONSERVATION BOARD

*156. **Shri S. N. Mishra:** Will the Minister of **Food and Agriculture** be pleased to state the steps taken by Government to set up the Soil Conservation Board at the Centre?

The Minister of Food and Agriculture (Shri Kidwai): The establishment of the Board will, it is hoped, be announced soon.

RE-EMPLOYED OFFICERS IN MINISTRY OF HEALTH

*159. **Shri V. P. Nayar:** Will the **Minister of Health** be pleased to state:

(a) the number of officers re-employed under the Ministry of Health, after they had retired from regular service; and

(b) whether before filling up a vacant post by a retired official, the Ministry had made any efforts to find out whether suitable candidates in service were available in the Centre or States?

The Minister of Health (Rajkumari Amrit Kaur): (a) Six.

(b) Yes, in the case of two officers. Of the remaining four one belongs to the personal staff of the Minister, one is a displaced technical officer and the other two officers specially suitable for appointment in their respective posts on account of their previous experience or training.

OFFICER ON SPECIAL DUTY

*160. **Shri V. P. Nayar:** (a) Will the Minister of **Health** be pleased to state the functions of the Officer on Special Duty, Dr. K. C. K. E. Raja?

(b) When did this officer retire from regular service?

(c) What are the terms and conditions of his present service as Officer on Special Duty?

(d) What are his monthly emoluments in the present post and what is his pension for his regular service from which he retired?

(e) Had Government advertised the post now held by him or was he directly appointed by the Government of India?

(f) If the answer to the latter part of (e) above be in the affirmative, what are the reasons for appointing this officer?

The Minister of Health (Rajkumari Amrit Kaur): (a) To advise Government on the organisation and general planning of the All India Medical Institute and to assist in its development at successive stages and in this connection to serve as Member-Secretary of the All India Medical Institute Committee.

(b) On the 1st December, 1952.

(c) and (d). His present term of appointment as Officer On Special Duty extends up to the 31st May, 1954, or until six months after the Director of the Institute is appointed whichever is earlier. He gets a consolidated pay if Rs. 2,750/- inclusive of a total pension of Rs. 594/12/- per mensem.

(e) and (f). The post was not advertised. Dr. Raja was specially

appointed to this post in view of his great experience and thorough knowledge of all aspects of the question relating to the planning and setting up of the All India Medical Institute which he had acquired in his various capacities as (1) Director General of Health Services (2) Member-Secretary of All India Medical Institute Committee, (3) Secretary of the Health Survey & Development Committee, (4) Member of the Up-grading Committee for certain existing Medical Institutions in India (5) Member of the All India Council of Post-graduate Medical Education.

KRISHNA RIVER BRIDGES

*175. **Shri Heda:** (a) Will the Minister of **Transport** be pleased to state how many bridges have been constructed over the river Krishna on National Highways?

(b) Do Government propose to construct a bridge over Krishna near Kurnool, the new capital of Andhra, with a view to join it with the territory of Hyderabad State?

(c) What is the alternate route at present available and how many miles more one has to travel between Kurnool and Hyderabad?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) One on National Highway No. 4 (Bombay-Bangalore-Madras Road) and another at Deosugar on National Highway No. 7 (Banaras-Cape Comorin Road).

(b) Originally the Anantapur-Yadcherla section of the Banaras-Cape Comorin National Highway was aligned *via* Kurnool but subsequently it was tentatively decided to take the National Highway through Madhavaram and Raichur. The alignment will be finalised after the views of the Government of Andhra are known. The question of constructing a bridge over the Krishna near Kurnool will arise only if it is finally decided to take the National Highway *via* Kurnool. Along the Kurnool alignment a bridge is required not only over the Krishna but also over the Tungabhadra.

(c) There is no convenient alternative route which is not too circuitous.

CLASS IV RAILWAY STAFF

*177. **Shri Nambiar:** Will the Minister of **Railways** be pleased to state the present procedure for recruitment of class IV staff in various departments of the Railways?

The Deputy Minister of Railways and Transport (Shri Alagesan): Recruitment to Railway Services, Class IV, is made by the local Departmental District Officers. All vacancies other than vacancies of short duration in this class are notified by the Railway Administrations to the linked Employment Exchanges whose nominees are considered for appointment along with those applying direct from the open market.

WAGON SUPPLY AT AGRA

*178. **Seth Achal Singh:** Will the Minister of **Railways** be pleased to state what steps are being taken to ease the restrictions which still continue on the supply of wagons at the Agra stations for sending out goods?

The Deputy Minister of Railways and Transport (Shri Alagesan): There are now no restrictions which hamper movements of trafic offering from stations in the Agra Area.

AERODROME AT KURNOOL

*182. **Shri Buchhikotaiah:** Will the Minister of **Communications** be pleased to state:

(a) whether any request has been made by the Andhra Government for an aerodrome at Kurnool; and

(b) if so, the action proposed to be taken?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes, Sir.

(b) The State Government has been advised to make surveys of possible sites. A decision about constructing aerodrome for Kurnool will depend largely on the location, of the permanent Capital of Andhra.

राष्ट्रीय राजमार्ग पर पुल

*१८७. **श्री आर० एस० तिवारी :** क्या यातायात मंत्री यह बताने की कृपा करेंगे :

(क) १९५१ से अब तक भिन्न भिन्न राज्यों में राजमार्गों पर केन्द्र द्वारा कितने नदी पुलों का निर्माण हुआ है ।

(ख) विन्ध्य प्रदेश में केन नदी पर पुल बनाने के लिये कितनी राशि निश्चित की गई है;

(ग) यह पुल बनाने में अत्याधिक समय लगने के क्या कारण हैं; तथा

(घ) यह पुल अब कितने समय में पूरा हो जायेगा ?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) Twenty two.

(b) Rs. 13 lakhs roughly, for a bridge over the River Kane on the Satna-Nowgong Road in Vindhya Pradesh.

(c) Difficulty in procuring boring machinery for boring in hard rock in foundations and suspension of work for a considerable period due to monsoons and heavy floods.

(d) It is expected to be completed about the middle of 1955.

CALCUTTA PORT COMMISSIONERS' OFFICE

*190. **Shri Tushar Chatterjea:** Will the Minister of **Transport** be pleased to state:

(a) whether it is a fact that the Port Commissioners of Calcutta have introduced certain new Service Rules for the employees;

(b) if so, whether these Rules have got the approval of the Government of India; and

(c) whether the Government of India have received any representation from the recognised Trade Union of the Port Commissioners with regard to the said Service Rules?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) No.

(b) Does not arise.

(c) No.

FOOD POSITION IN TRIPURA

*192. **Shri Biren Dutt:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether it is a fact that considerable damage has been done to food crops in Tripura on account of late rains; and

(b) if so, what protective measures against food shortage have been contemplated by Government?

The Minister of Food and Agriculture (Shri Kidwai): (a) The approximate value of the crop damaged due to late rains, is Rs. 4,00,000.

(b) No shortage of foodgrains was experienced in the affected areas. But as a measure of relief the State Government advanced agricultural loans to the extent of Rs. 5,000 and also supplied seeds wherever necessary.

CASHEW NUTS

85. **Shri V. P. Nayar:** Will the Minister of **Food and Agriculture** be pleased to state:

(a) the total quantity of raw cashew nuts consumed by the cashew factories in India during the years 1950-51 to 1952-53;

(b) the States which produce raw cashew nuts and the quantity produced in each of them during the above period; and

(c) the quantity of raw cashew nuts imported during the above period and the value thereof?

The Minister of Food and Agriculture (Shri Kidwai): (a) Actual figures are not available but assuming that the average annual production and foreign imports are utilised for the extraction of kernels, the total quantity of raw cashew nuts during 1950-51, 1951-52 and 1952-53 has been estimated as 1,13,956 tons, 1,02,453 tons and 1,11,682 tons respectively.

(b) The principal cashewnut producing States are Madras (Malabar and South Kanara), Travancore-Cochin and Bombay, and the total quantity produced in these regions during 1951-52 have been estimated as follows:

	Tons
Madras	33,000
Travancore-Cochin	20,000
Bombay	4,500
Others	2,600
TOTAL	60,100

Figures for other periods are not available.

(c) The quantity and value of raw cashewnuts imported during 1950-51 to 1952-53:

Year	Quantity (tons)	Value (Crores of rupees)
1950-51	53,956	2·85
1951-52	42,353	3·28
1952-53	51,682	4·66

MYROBALANS

86. Shri V. P. Nayar: Will the Minister of **Food and Agriculture** be pleased to state:

(a) the estimated annual production of Myrobalans in India;

(b) the quantity of Myrobalans and extracts thereof annually exported from India;

(c) what are the important extracts made in India from Myrobalans; and

(d) what is the quantity of Myrobalan extracts consumed annually by the indigenous industries?

The Minister of Food and Agriculture (Shri Kidwai): (a) 33,766 tons during 1949-50. Figures of estimated annual production in subsequent years are not available.

(b)—

(Thousand tons)

	1950-51	1951-52	1952-53
(i) Myrobalans	41·0	44·8	25·8
(ii) Myrobalans extracts.	3·4 (*)	5·0	6·0

(*) Exculdes figures of export by land which are not available.

(c) The only extracts made in India from Myrobalans are the tan extracts containing about 55 per cent. tannin, 30 per cent. non-tans, 3 per cent. insolubles and 12 per cent. moisture.

(d) The information is not available.

GRAMS

87. Dr. Amin: Will the Minister of **Food and Agriculture** be pleased to state the estimated production of gram with acreage during the next season?

The Minister of Food and Agriculture (Shri Kidwai): Gram has just been sown and it is too early as yet to give estimated production and acreage for the next rabi season.

EMPLOYEES' STATE INSURANCE CORPORATION

88. Dr. Amin: (a) Will the Minister of **Labour** be pleased to state what is the total amount contributed to the Employees' State Insurance Corporation by the employers from the areas to which this scheme is not made applicable?

(b) What is the total contribution made to the Corporation by employers from the areas to which the scheme has been made applicable?

The Deputy Minister of Labour (Shri Abid Ali):

(a) (i) Bombay, Madras and Calcutta Regions.	Upto 30-9-53	Rs. 189,79,000
(ii) Delhi and Kanpur Regions .	Upto 31-10-53	10,75,000
		200,54,000
(b) Delhi Kanpur and Punjab .	Upto 31-10-53	21,28,000

RAILWAY STORES

89. Shri S. N. Das: (a) Will the Minister of **Railways** be pleased to state what percentage of the total value of stores purchased by Railways was met through indigenous sources during 1952-53?

(b) What is the number of items of stores which are still required to be imported from foreign countries?

(c) How far have the Railways been able to use cottage industry products?

The Deputy Minister of Railways and Transport (Shri Alagesan): (a) 78 per cent. based on provisional figures.

(b) About 84 main items.

(c) A statement giving cottage industry products generally purchased by railways is attached. [*See* Appendix II, annexure No. 7.]

CENTRAL COUNCIL OF *Gosamvardhan*

90. Dr. Ram Subhag Singh: Will the Minister of **Food and Agriculture** be pleased to state:

(a) whether the Central Council of *Gosamvardhan* has recently drawn up a scheme for *Gaushala* development; and

(b) if so, the chief features of the scheme?

The Minister of Food and Agriculture (Shri Kidwai): (a) Yes.

(b) The main features of the scheme are:

(i) Appointment of a Gaushala Development Officer with the necessary staff, in each State and subsidising Gaushalas and Pinjrapoles to enable them to purchase pedigreed animals. For both these the Central Council of Gosamvardhana will make an annual grant of Rs. 5,000 to Part 'A' and 'B' States and of Rs. 10,000 to Part 'C' States.

(ii) Payment through State Governments of a grant of Rs. 500/- to Federations of Gaushalas and Pinjrapoles in Part 'A' and 'B' States and Rs. 1,000 to those in Part 'C' States to enable them to organise their offices better by employing an officer with Veterinary qualifications. This officer would draw a salary and would be in addition to the honorary staff these organisations have at present.

LADY HARDINGE HOSPITAL

91. Shri V. P. Nayar: Will the Minister of **Health** be pleased to state the number of beds in the Lady Hardinge Hospital, New Delhi, the number of doctors and the number of nurses and compounders?

The Minister of Health (Rajkumari Amrit Kaur):

Number of beds.	367
Number of Doctors.	40 (including 20 house surgeons).

Number of nurses:

Nursing Superintendent.	1
Assistant Matron.	1
Nursing Sisters.	16
Staff Nurses.	27
Probationer Nurses.	78
TOTAL	123

Number of Compounders:

Qualified.	4
Pupil.	6
TOTAL	10

RURAL POST OFFICES IN PUNJAB

92. Shri D. C. Sharma: Will the Minister of **Communications** be pleased to state the number of rural post offices opened or proposed to be opened in the Punjab in 1953-54?

The Deputy Minister of Communications (Shri Raj Bahadur): 45 rural Post Offices were opened between April and October 1953.

95 rural Post Offices are proposed to be opened by 31st March, 1954.

'GROW MORE FOOD' SCHEMES

93. Shri S. C. Samanta: (a) Will the Minister of **Food and Agriculture** be pleased to state what increase in production the 'Grow More Food' Schemes are expected to yield in 1953-54?

(b) How much sum has so far been sanctioned for 'Grow More Food' Schemes to State Governments in the year 1953?

(c) What is the number of minor irrigation works to be taken up in the year 1953?

(d) What area will be covered by land improvement schemes?

(e) What are the quantities of supplies of fertilizers and seeds?

The Minister of Food and Agriculture (Shri Kidwai): (a) 13·55 lakh tons over the production in 1952-53.

(b) Rs. 2327:04 lakhs.

(c) 74,596.

(d) 20,98,488 acres.

(e) 2,77,218 tons of fertilisers and 1,18,553 tons of seeds.

EMPLOYEES' PROVIDENT FUND

94. Shri Heda: Will the Minister of **Labour** be pleased to state the amount collected every month from January to October, 1953 under the Employees' Provident Fund Scheme?

The Deputy Minister of Labour (Shri Abid Ali): I place on the Table of the House a statement showing the amount of contributions received by the Employees' Provident Fund in the months from January, 1953 to September, 1953. [*See* Appendix II, annexure No. 8.]

It will be seen therefrom that the total amount of contributions up to the end of September, 1953 is Rs. 4,60,45,584/9/10. Information regarding the month of October, 1953 is not yet available.

BIHAR REGIONAL EMPLOYMENT EXCHANGE

95. Shri P. C. Bose: Will the Minister of **Labour** be pleased to state:

(a) whether the stenography training class at Digha Training Centre under the Bihar Regional Employment Exchange, has been abolished; and

(b) if so, the reason thereof?

The Deputy Minister of Labour (Shri Abid Ali): (a) Yes.

(b) The course of stenography has been abolished at all training centres of the Ministry of Labour as adequate arrangements for training in this and other commercial subjects generally exist at private institutions. The views of the Shiva Rao Committee have, however, been invited on this question also.

PUBLIC CALL OFFICE

96. Shri Jhulan Sinha: Will the Minister of **Communications** be pleased to state whether there is a proposal to open a telephone public call office at Gopalgunj sub-division?

The Deputy Minister of Communications (Shri Raj Bahadur): Yes.

SUGAR (EXCISE DUTY)

97. Shri Madhao Reddi: Will the Minister of **Food and Agriculture** be pleased to state what is the total revenue realised so far on account of the additional duty on sugar which was imposed during 1952-53 season?

The Minister of Food and Agriculture (Shri Kidwai): Excise duty is

collected at the time of despatch of sugar from the factories. Accordingly, a sum of Rs. 270·26 lakhs was realised on account of additional excise duty on sugar despatched upto 30th September 1953, out of the stocks of 1952-53 season's production. A further sum of Rs. 86·41 lakhs is expected to be collected on the balance quantity of sugar produced during that year.

RECRUITMENT OF CLERKS IN MADRAS POSTAL CIRCLE

98. Shri Nanadas: Will the Minister of **Communications** be pleased to state:

(a) whether any competitive examination was held in 1952 for recruiting clerks under the Madras Postal Circle;

(b) if so, (i) the number of Scheduled Castes candidates and (ii) the number of Scheduled Tribes candidates who sat for the examination; and

(c) the number of candidates finally selected for appointment from (i) the Scheduled Castes and (ii) the Scheduled Tribes?

The Deputy Minister of Communications (Shri Raj Bahadur): (a) Yes;

(b) 345 Scheduled Castes and 11 Scheduled Tribes candidates.

(c) 273 Scheduled Castes and 11 Scheduled Tribes candidates.

Zamindari SYSTEM

99. Shri Bishwa Nath Roy: Will the Minister of **Food and Agriculture** be pleased to state:

(a) the States where *Zamindari* system or similar feudal system still continues;

(b) the State where it has been abolished; and

(c) the States where Bills for its abolition are under consideration?

The Minister of Food and Agriculture (Shri Kidwai): (a) to (c). A note on the progress made on the Abolition of Intermediaries is placed on the Table of the House. [*See* Appendix II, annexure No. 9.]

LAND RECLAMATION

100. Shri Bishwa Nath Roy: Will the Minister of **Food and Agriculture** be pleased to state:

(a) the acreage of land reclaimed in India since 1947; and

(b) the target of reclaiming land in 1953-54 by the Central Tractors Organisation?

The Minister of Food and Agriculture (Shri Kidwai): (a) During the six years beginning with the 1947-48 reclamation season the Central Tractor Organisation has reclaimed a total area of 9,83,797 acres in Uttar Pradesh, Madhya Pradesh, Madhya Bharat, Bhopal and Punjab; while an additional acreage of 17,62,186 has been reclaimed by the States with the help of their own tractors.

(b) The targets for reclamation during the 1953-54 reclamation season are (i) clearance of 2,47,500 acres of Kans-infested lands, and (ii) 8,000 acres of jungle clearance.

TELEGRAPH OFFICES IN DISTRICT HEADQUARTERS

101. Shri R. N. S. Deo: Will the Minister of **Communications** be pleased to state the number of District Headquarters which have not got Telegraph Offices at present?

The Deputy Minister of Communications (Shri Raj Bahadur): Six.

FREIGHT ON IMPORTED FOODGRAINS

102. Shri K. C. Sodhia: Will the Minister of **Food and Agriculture** be pleased to state the freight paid to Indian Railways for carrying imported foodgrains during the year 1952-53?

The Minister of Food and Agriculture (Shri Kidwai): The information

in respect of the total freight paid to Indian Railways for carrying imported foodgrains during the year 1952-53 is not readily available, as imported foodgrains were normally delivered to Recipient Administrations at the ports of landing, from where they were despatched to destinations on Recipient Governments account, who paid the Railway freight.

2. Out of total imports of about 29,38,000 tons during the year 1952-53, about 17,76,000 tons were delivered to Recipient Administrations at ports of landing and the balance 11,62,000 tons approximately were moved to Central Depots.

THE

PARLIAMENTARY DEBATES Dated 25.11.20

(Part II—Proceedings other than Questions and Answers)

OFFICIAL REPORT

HOUSE OF THE PEOPLE

Saturday, 21st November, 1953

The House met at Half Past One of the Clock

[MR. SPEAKER *in the Chair.*]

QUESTIONS AND ANSWERS

(*See Part I*)

2-47 P.M.

MOTION FOR ADJOURNMENT

OFFICIALS AND OTHERS KILLED IN NORTH-EAST FRONTIER AGENCY

[*See* Cols. 248-249 of Part I of Debates.]

PAPERS LAID ON THE TABLE.

STATEMENTS SHOWING THE ACTION TAKEN BY THE GOVERNMENT ON VARIOUS ASSURANCES, PROMISES AND UNDERTAKINGS.

The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha): I beg to lay on the Table the following statements showing the action taken by the Government on various assurances, promises and undertakings given during the various sessions shown against each:—

(1) Supplementary Statement No. I. — Fourth Session, 1953 of the House of the People.

[*See* Appendix VII, annexure No. 1]

523 PSD.

(2) Supplementary Statement No. VI — Third Session, 1953 of the House of the People.

[*See* Appendix VII, annexure No. 2]

(3) Supplementary Statement No. VII. — Second Session, 1953 of the House of the People.

[*See* Appendix VII, annexure No. 3]

(4) Supplementary Statement No. VIII — First Session, 1952 of the House of the People.

[*See* Appendix VII, annexure No. 4]

(5) Supplementary Statement No. V. — Fifth Session, 1952 of the Provisional Parliament.

[*See* Appendix VII, annexure No. 5]

(6) Supplementary Statement No. X. — Third Session (Second Part) 1951 of the Provisional Parliament.

[*See* Appendix VII, annexure No. 6]

(7) Supplementary Statement No. VII. — Third Session (First Part) 1950 of the Provisional Parliament.

[*See* Appendix VII, annexure No. 7]

(8) Supplementary Statement No. VII. — November/December Session 1949 of the Constituent Assembly of India (Legislative)

[*See* Appendix VII, annexure No. 8]

DHOTIES (ADDITIONAL EXCISE DUTY) BILL.

The Minister of Commerce (Shri Karmarkar): I beg to move for leave

to introduce a Bill to provide for the levy and collection of an additional excise duty on dhoties issued out of mills in excess of the quota fixed for the purpose.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to provide for the levy and collection of an additional excise duty on dhoties issued out of mills in excess of the quota fixed for the purpose."

The motion was adopted.

Shri Karmarkar: I introduce * the Bill.

BANKING COMPANIES (AMENDMENT) BILL.

Mr. Speaker: The House will now take up the Banking Companies (Amendment) Bill.

Shri T. K. Chaudhuri (Berhampore): On a point of order, Sir. Consideration of this Banking Companies (Amendment) Bill has been given priority in this List of business. But we are already in the midst of consideration of the Ancient and Historical Monuments and Archaeological Sites and Remains Bill. The general consideration of that has not been finished and if we go on in this way it is very difficult...

Mr. Speaker: The hon. Member will notice that this is a Bill for replacing an Ordinance that has been promulgated. Hon. Members are aware that in the priority fixed, it was stated from the beginning that Bills to replace Ordinances should have the first place, as and when the Bills would be ready. This Bill was not ready and, therefore, in order to save time, the other Bills were introduced and taken up. And now that this Bill is ready and before the House already introduced, we are taking up this Bill first.

Shri M. S. Gurupadaswamy (Mysore) *rose*—

Shri S. S. More (Sholapur): I want some information, Sir. In the Statement of Objects and Reasons, certain documents have been referred to and it is stated that certain opinions have been elicited by Government on the strength of which they have come up with this particular measure. Sir, in fairness to the House, to enable the House to decide what line it should take on this particular measure, is it not necessary that all these documents ought to have been circulated?

Mr. Speaker: It is rather premature for me to express an opinion on that point. Let me hear first what the hon. Minister has to say. Perhaps he will give all the information that is received by him, and then, if necessary, the hon. Member may make his point when he speaks for or against the Motion.

Shri S. S. More: If the hon. Minister gives us certain facts, we will have to read them through his spectacles.

Mr. Speaker: At this moment the hon. Member is anticipating difficulties. Let us hear the hon. Minister and then if the difficulty really arises, we shall see whether there is any difficulty at all and if there is any, how to overcome it.

Shri S. S. More: I am seeking a sort of procedural clarification.

Mr. Speaker: From the procedural point of view, it is premature to raise any objection about what the hon. Minister is going to say before he really says anything in the House.

The Deputy Minister of Finance (Shri A. C. Guha): I beg to move:

"That the Bill further to amend the Banking Companies Act, 1949, be taken into consideration."

I think it would be proper for me to give the background leading to the proposed legislation. Previously, Sir, the working of the Banking Companies was regulated by the Indian Companies Act and there was no separate Act for the Banking Com-

*Introduced with the recommendation of the President.

panies. But, after some experience was gained, it was found that the Banking Companies have some special and peculiar features, distinct from other trading Companies and so the separate Act, the Banking Companies Act was passed in 1949. Even then the liquidation proceedings of the Banking Companies were being conducted under the Indian Companies Act and no separate arrangements for the liquidation of Banking Companies was made. But, then, after the last war and the partition of the country, there were a large number of bank failures, particularly in the Punjab, Bengal, Bombay and Madras. It was found that Banking companies had a peculiar nature as regards their creditors and debtors, and that the liquidation proceedings of the Banking companies cannot be conducted under the Indian Companies Act as ordinary trading companies. Because of the large number of its debtors the collection of the available assets under the Indian Companies Act becomes very difficult. The problem became acute in West Bengal and in 1949 the West Bengal Government started an enquiry into the liquidation proceedings of the Banks then closed and subsequently an Ordinance was passed which was later on replaced by an Act passed by this House, Act XX of 1950, amending the Banking Companies Act.

Sir, this amending Act could remove only one of the two great difficulties in the way of speedy and economic liquidation proceedings. The two primary causes of the lengthy and costly liquidation proceedings were the multiplication of courts and the multiplication of cases. This amending Act of 1950 removed only one cause, that is the multiplication of courts. It was indicated in that Act that all the liquidation proceedings of Banks would be conducted by the High Court and one High Court and so the multiplication of courts was avoided under this Act. But, another major cause for the delay and unnecessary expenses continued—there being still sufficient cause nor multiplication of cases.

In the meantime representations started pouring in from the depositors of the Banks that had closed their operations. Sir, this matter was raised repeatedly in this House and I think the hon. Members are quite aware of the miserable condition of the depositors. Sir, I wish to lay on the Table of the House a statement which was supplied by the Calcutta High Court which will show how the operation of the liquidation proceedings in the Banks, particularly in West Bengal, were going on.

In July 1952, the Central Government set up an Enquiry Committee under the Chairmanship of Shri D. N. Mitra to examine the difficulties and defects in the existing liquidation procedure and to recommend changes in law, procedure and machinery in order to facilitate the speedy disposal of proceedings in liquidation The Committee submitted its Report in January 1953. The Report reveals rather a pitiable state of affairs and I think we have every reason to think that drastic measures as suggested by this Committee ought to be put into operation as soon as possible. Sir, it may not be quite in-appropriate here to refer to some of the passages from the Enquiry Committee's Report. It reads:

> "The information available to us discloses that only one Bank out of 78 Banks in liquidation in Calcutta has declared a dividend."

I think I should explain the term dividend; that means payment made to the depositors. This has nothing to do with the shareholders.

> "This Bank declared a dividend of 100 per cent. to preferential creditors and 10 per cent. to depositors. We are informed that this dividend was declared prior to the adjudication of the rights of a large secured creditor. We understand that two other banks are considering the declaration of a dividend. It will thus be seen that liquidation of banks in Calcutta has resulted in very

[Shri A. C. Guha]

little benefit to the large number of depositors involved."

Out of the 78 Banks, only one has declared a 10 per cent. dividend to the depositors and that also I know that all the depositors have not got that 10 per cent. of their money.

Sir, then this report says:

"The cost of management excluding legal expenses and the liquidator's commission in proportion to realisation are heavy, ranging from 10 to 80 per cent. The salary paid by all the liquidators to their staff totals about Rs. 21,000 per month and the total office account paid per month amounts to about Rs. 6,000. In some cases, the official liquidators have been allowed to use motor-cars belonging to the Banks. It would clearly be to the advantage of the conduct of liquidation if the staff and the premises be concentrated in one office under one liquidator."

That is the final conclusion which this Committee has arrived at and which we are now proceeding under this Bill to implement.

Then, Sir, I have to refer to the number of Banks and the amount involved. I think I should again here read the figures given in this report. In 1947, the total number of banks that closed operations was 33; the amount involved is Rs. 16 crores; in 1948, the total number of banks closed was 52, in 1949, 48, in 1950, 33 and in 1951, 24. The total number of banks that have closed operations during these five years is 180, mostly in Calcutta, the Punjab, Bombay and Madras.

Shri R. K. Chaudhuri (Gauhati): How many of them were Scheduled Banks?

Shri A. C. Guha: I have not got the figure; if the hon. Member wants it, I can get the figure.

The total amount involved is Rs. 92,63,35,000. This is the money of poor depositors involved in this crash.

Of course, I think I should state here that out of these 92 crores about 60 or more than 60 crores are to be covered by some banks which are supposed to be operating under some schemes of re-arrangement. Most of them are in the Punjab and the report says that they have been doing tolerably well; but I cannot say 'fairly well'. In other States, particularly in Bengal, under the re-arrangement scheme the Banks are not doing anything satisfactory at all.

3 P.M.

[MR. DEPUTY-SPEAKER *in the Chair.*]

Shri B. Das (Jajpur—Keonjhar): I thought they are better off in West Bengal.

Shri A. C. Guha: No. On receipt of the Enquiry Committee's report, we examined it and then the Central Government gave some directives to the State Governments to implement some of the recommendations which could be implemented only through some administrative measures. Out of the 41 recommendations, some 28 would require legislative provisions, and the others, the Committee thought, could be implemented simply by administrative measures. But on some of these also—and I think on one of the recommendations which we considered to be the most important —we found that simple administrative measures were not quite enough. I am referring to the appointment of a court liquidator. The Central Government sent directives to all High Courts and particularly to the Calcutta High Court, where this problem arose in a most acute form. I was personally in correspondence with the Chief Justice of the Calcutta High Court. He told me, in fact he wrote to me "It will not be easy to remove the liquidator already appointed, because under the Companies Act,

he can be removed only on due cause shown....." Now, Sir, you, being an experienced lawyer, can understand what "on due cause shown" would mean. So, even if the Calcutta High Court had appointed a court liquidator, none of the 82 liquidation proceedings now pending with private liquidators could have been transferred to the court liquidator except on the specific order, in each case, of the Judge who sent that case to the liquidator, and that would involve delay and besides more cost—I think it would at least take one or two years' time. So, that provision could not be implemented.

In the meantime when this report was published, the depositors thought that some relief might be forthcoming almost immediately. Government began receiving representations and exhortations from depositors almost in hundreds. Some expectations have been aroused in the minds of the poor depositors, and Government feel that it is their obligation to implement these recommendations as early as possible and in the most effective manner. It was also felt that any delay would mean the loss of money by some poor depositors. The statement which I want to place on the Table of the House will show that out of the money collected from debtors by these liquidators, except in the case of one bank not a single pie has been paid to depositors and almost the entire sum has been consumed in the administrative expenses and in the liquidator's own commission. In most of these cases, the liquidators were getting 5 per cent. of the amount collected irrespective of whether a single pie was paid to the depositors or not—it is the depositors' money that they are squandering. Sir, in the present Bill, we have tried to implement the recommendations in the most effective manner as far as it has been possible for the Government to do, and we have consulted the Chief Justice of the Calcutta High Court, the Judicial Minister of West Bengal Government, the Reserve Bank and all relevant and interested parties. Whatever provisions have been put in this Bill, I think, have the blessings and support of the Chief Justice of the Calcutta High Court. In fact, some of our original sections have to be made more rigid and more stringent on the suggestion and advice of the Chief Justice of the Calcutta High Court.

We have provided in this Bill, firstly, for a special officer who is to take charge of all the books and accounts and assets of the bank when it closes its operations, so that interested parties may not tamper with the accounts and books and assets of the bank. The next provision is the appointment of a court liquidator. I have already stated why the court liquidator is necessary, but I think I should further clarify this point because I consider that it is the most important point. Sir, in the Calcutta High Court, there is also an official receiver and he has been given charge of about 24 banking companies. What are these banking companies? These companies have practically no assets and so no private liquidator would come forward to take charge of the liquidation of these banks. Therefore, the official receiver had to take charge of these banks. We have thus appointed the official receiver in cases where owing to paucity of assets private persons were unwilling to undertake this work. The result has been that he has been unable to take possession of the assets of some of the banks for want of funds. It will therefore be apparent from this that private liquidators have not come forward to take the responsibility of being liquidators of these banks. The profit motive is there; otherwise why should they not come forward to take charge of these banks? Where the assets are not quite enough and where the profit is not quite alluring, the private parties would not touch it and the poor official receiver has to take the burden on his shoulders and in some cases he could not even take possession of the assets for want of funds. It appears that the maximum liquid assets which came in the hands of the official receiver at the

[Shri A. C. Guha]

time he took possession of any bank did not exceed Rs. 3,500. Unless we can put the liquidation proceedings of all the banks, which have some liquid assets or which may not have liquid assets, under one organisation or under one liquidator, the depositors of these smaller banks have no way of expecting any amounts. The total number of these banks is, I am told, 44 and the total number of depositors also would come to a considerable figure.

Then, Sir, the private liquidator, when engaged as an official liquidator, charges 5 per cent commission. The court liquidator would be a paid officer. Even if we take that he will be fairly paid, I think his emoluments would not even be equal to the emoluments which we are paying to the liquidators of, say, one single bank. I know the case of one bank where there are three liquidators. They were taking Rs. 2,000 each monthly and after the end of the year they must have got something more. The court liquidator, whoever might be appointed, cannot expect to get Rs. 5,000 or Rs. 6,000 monthly, as the three liquidators of one Bank are now getting. He will be a paid official and it will be his job to do liquidation work, irrespective of the commission, irrespective of the patronage that he can distribute and irrespective of the number of lawyers he can engage from the funds available in his hands.

So, it is absolutely necessary that the court liquidator should be appointed and we have also provided that all pending liquidation cases should be automatically transferred to the court liquidator, except in cases where the liquidation proceedings might have advanced too far, or where the cost of liquidation may not be anything which may be called unreasonable. In such cases if the Company law Judge thinks that the transfer of that case to the court liquidator would be to the detriment of the depositors, then he will specifically order that those cases may not be transferred. I am sure, Sir, every High Court will use this authority with caution. I am confident no Company law Judge can use this power without due care of the interest of the depositors. I think considering the status of the High Court we should leave this much option to the High Court.

Then we have further provided a sort of preferential payment of an amount not exceeding Rs. 100 to savings banks accounts. These are mostly of the lower middle class people and any amount up to Rs. 100 is deposited in savings banks should be paid in full.

Then comes the provision to avoid multiplicity of proceedings which is one of the chief causes of delay and expenses. Sir, I have already stated that in our previous Banking Companies Act (Amendment) Bill of 1950, we provided to eliminate the causes for multiplicity of courts. But the factor of multiplicity of cases still remains and we are now trying to remove this and we are sure this will remove the chief causes of delay and expense. A banking company has a far larger number of creditors and debtors than a trading company of comparable size. The High Court of Calcutta in a case has stated:

> "The Companies Act, for example, in Section 186 provides for the recovery of what is due from the contributaries and no suit is necessary. But there is no provision in the Banking Companies Act entitling a liquidator to recover due from the debtors of the bank in any other than the ordinary way, namely by suit."

Now in this Bill the provision we are going to make is based on the analogy of the settlement of list of contributaries under the Indian Companies Act. Sir, under the present Act settlement of the list is held up even if a single contributary raises an objection with the consequence that when ultimately it is settled it is difficult to trace the whereabouts of some of the contributaries. Now we are removing this handicap.

Another difficulty in establishing a claim against a debtor is that the liquidator has to produce in addition to the books of account some other persons to testify that the entries in the books of account were genuine and correct. During the liquidation of a bank when it has stopped operation most of its officials must have gone away to some other place and it is not always easy to find out the appropriate person to testify the correctness of an entry in the books of account. Very often an officer even if found, may not be willing to oblige a liquidator to come forward and testify and give evidence in a court. So, it has been provided in this Bill that simple entries in the books of account will be admitted in evidence and there is a further clause that the book of entries against directors will be *prima facie* evidence.

Sir, the directors of a Bank have larger responsibilities than the directors of a trading company. In an ordinary joint stock company, the directors are elected by the shareholders and they handle only the money of the shareholders, that is the capital amount the company might have received from the shareholders. But in the case of banks the directors handle money not of the shareholders, but of the depositors who have no voice in electing the directors. So, these directors should take particular care and caution in handling the money of some other persons who have nothing to do with their appointment or election. So, the directors of banks should be held responsible if the depositors money which they have taken charge is in any way squandered, or there has been any acts of misfeasance or if the money is not used for the proper purpose.

Thus, we have provided that entries in the books of account against directors should be taken as *prima facie* evidence. We have also provided that the limitation period should be extended. In the case of ordinary persons the liability being time-barred, instead of three years the time-limit has been extended to twelve years. But in the case of directors in certain cases there is no time limit. We have found in many cases that directors might have stood guarantee for certain other creditors or might have taken loans or might have some contractual liabilities with the banks. In such cases these liabilities should not be allowed to be time-barred. In other cases it has appeared to the Government that sometimes the authorities who have been managing the bank might have allowed certain claims of the banks to be time-barred. There might have been some collusion between a creditor and the Managing Director or Chairman, or some other authority of the bank to get that claim time-barred. By this Bill we want to revive those claims. Even in the case of those banks which are now in liquidation these things should be revived. And in the case of directors there should be no time limit for their liabilities to cease.

Shri B. Das: You must arrest them and put them in jail.

Shri S. S. More: First hang them and then try!

Shri A. C. Guha: We have also provided in the Bill that the directors might be called for public examination. There is already a provision, in sections 195 and 196 of the Indian Companies Act. But that provision is so worded that it is not so easy to put it into operation or to give effect to it. So what was already admitted in the Indian Companies Act on principle, we have tried to make effective, and we have put it in a proper language so that the director may be called for public examination.

Experience has shown that great difficulty is felt in establishing the claim of a bank against the director under section 235 of the Companies Act, namely, misapplication, misfeasance, unauthorised retainer or breach of trust. A change of procedure by requiring directors or officers to prove their innocence when

[Shri A. C. Guha]

a *prima facie* case is made out by the liquidator, is therefore provided. The onus of proving innocence would lie on the directors and officers of the bank in liquidation.

Then we come to benami property. Very recently the Official Receiver of the Calcutta High Court, in charge of liquidation proceedings of a non-scheduled bank in Calcutta got a decree against the *ex*-managing director, I think, to the tune of Rs. 18 or Rs. 20 lakhs. But that managing director is shrewd enough to have no property in his own name but I think he is having some in the name of his wife and children and some in the names of other friends. Under the present provisions of the Act the Government feels almost impotent to take any action against that managing director. We have provided in this Bill that the liquidator would have the authority to attach the property which might be held by the managing director or some authority of the closed bank or is held as benami property in some other name. This does not give liquidator authority to sell the property or to put it in auction; only, he will have the authority to attach it. And it will be the onus of the *ex*-managing director or *ex*-chief executive officer of the bank to prove that that attached benami property does not belong to him really but does belong to the person in whose name it really stands.

I come to banks working under arrangement. So long the procedures followed have not been found to be quite satisfactory. Courts are empowered to exercise supervision over banks working under schemes of arrangement and to order winding up when the schemes are found to be unworkable. This class of banks is separate from banks under liquidation. The provisions relating to public examination of directors and auditors and a simple procedure for the settlement of debt, are also to be made applicable to banks under schemes of arrangement.

In this connection I think I should refer to the entries in the book of accounts. Before taking this matter I hope, Sir, that you will allow me to refer to a matter which I overlooked in my speech earlier *i.e.* regarding the provisions of the entries in the books of accounts to be taken as evidence. I think I should state here the observations of the Chief Justice of the Calcutta High Court. He said:

> "It is true that such a provision will to a certain extent be contrary to the provisions of the Evidence Act which provides that mere book entries shall not be sufficient to charge any person with liability, but in my view sufficient reason exists to make a special provision in the case of debts due to banks in liquidation."

In another letter he writes:

> "It should be provided in the proposed amendment to the Banking Companies Act that the entries appearing in the book of account will be *prima facie* evidence of the transactions recorded therein. It has been the experience of the Company Judge of this Court that in many cases it becomes very difficult for a Liquidator to prove his case although the case is a genuine one. This is mostly due to the fact that the old employees of the bank who had personal knowledge of the transactions are not traceable and, even if they are traceable, they are reluctant to give evidence in support of the bank and the Liquidator has no other means to prove his case except through the entries in the books and documents."

Then we have also provided in this Bill that the Reserve Bank should have the authority to supervise the working of the liquidation proceedings, and the Central Government would also have the right to write to the Reserve Bank to inspect or scrutinise the liquidation proceedings of any bank; and on the report of the Re-

serve Bank, which will submit its report both to the Central Government and to the High Court concerned, the Central Government will have the authority to draw the attention of the High Court concerned to look into the liquidation proceedings of that particular bank.

Sir, in this House on several occasions we have felt that the Government have not got proper authority, not even the Reserve Bank which in banking matters is the expert body for the Government of India. To obviate that difficulty, to give sufficient power to the Reserve Bank and also some source of knowledge to the Central Government, we have provided that the Central Government may ask the Reserve Bank to examine and scrutinise the liquidation proceedings of particular banks and on receipt of that report the Central Government may write to the High Court concerned to examine the liquidation proceedings.

Sir, I think I have covered most of the provisions of the Bill. Still, before concluding I should like to give a short summary of the main provision: firstly, a Court Liquidator is to be appointed for conducting the liquidation proceedings of banking companies;

and also a special officer to seize all the books and accounts of the bank in liquidation; preferential payment to every depositor in the Savings Bank account up to Rs. 1000:

a simple procedure for the settlement of the list of debtors on the analogy of the list of contributors under section 186 of the Indian Companies Act;

recovery of amounts due to banks as arrears of land revenue in certain cases;

limitation to cease to run against banks from the date of the presentation of the petition for winding up;

courts to be empowered to examine at their discretion any of the previous directors and to disqualify any director considered not fit to act as such for any period not exceeding 5 years from being a director of a Company;

courts to be similarly empowered to examine and disqualify the delinquent auditors of a banking company;

the statements to be made by any director or auditor in such examination may be used in evidence against him in any proceeding, civil or criminal;

speedy enforcement of the liabilities of directors and officers of a bank and no limitation in case of claims against directors arising *ex*-contractu and the extension of limitation period to 12 years for others;

courts to be empowered to supervise or modify schemes for arrangement and order investigation into the past conduct of auditors and directors; banks at present under schemes of arrangements to have the benefit of summary procedure for settlement of debts; the courts will have the right to attach benaml property;

closer supervision by the Reserve Bank over banking companies in liquidation and some authority and initiative with the Central Government;

right of appeal to be limited to cases where the value of the matter in controversy exceeds Rs. 5,000.

Before I sit down, I think I should again read a passage from the letter of the Chief Justice of the Calcutta High Court. He writes to me on the 24th June, 1953:

> "It will not be easy to remove a liquidator already appointed because under the Companies Act, he can be removed only 'on due cause shown' and therefore, generally speaking, the proceedings now pending will continue to remain in the hands of the respective liquidators now in office.
>
> * * * *
>
> "If investingation of claims and collection of debts be left to the ordinary law, as it is now, delay ruinous to the creditors and contributories is inevitable."

[Shri A. C. Guha]

I specially urge on this House to take note of the words of the Chief Justice of Calcutta High Court that "delay ruinous to the reditors and contributories is inevitable", if the present procedure is allowed to continue. We have got sufficient grounds to come before this House with this Bill. When I met the Chief Justice of Calcutta High Court only about 10 days ago, he told me, "today you are a proud man".

Shri B. Dass: Certainly you must be proud.

Shri A. C. Guha: This matter, I brought before this House as a private Member. I do not know whether it would be proper for me now to refer to what I did as a private Member. But, I think I cannot but make some mention of it. I told the Chief Justice: I do not know whether I am a proud man, but I shall be a happy man if by this Bill, I can render some help to the distressed depositors. I come from Bengal. The problem is acute in Bengal. This Bill is actually meant for Bengal. I can say as a citizen of that State that I have nothing but to be ashamed of the state of affairs both in the banks that were working, and the banks that are in liquidation. I commend this Bill to the House. I hope it will have a favourable reception from every corner of the House.

Mr. Deputy-Speaker: Motion moved:

> "That the Bill further to amend the Banking Companies Act, 1949 be taken into consideration."

There are no amendments for reference to the Select Committee.

Shri M. S. Gurupadaswamy: There is one.

Shri Tulsidas (Mehsana West): I have also sent some amendments.

Mr. Deputy-Speaker: What about the names?

Shri M. S. Gurupadaswamy: As regards the names, I shall give just now.

Mr. Deputy-Speaker: He must have given the names already. He must have ascertained the names and consent of the Members to serve on the Committee. I will pass on to some clause.

Shri M. S. Gurupadaswamy: I shall give the names in 5 minutes, if you allow me to speak on that motion.

Mr. Deputy-Speaker: It is a rule to be hereafter ovserved by every hon. Member that if he has a motion for reference to a Select Committee, he must give the list of names in advance to the Secretary and also, he must have ascertained the consent of those Members to serve on the Committee. I will make an exception today as regards Shri M. S. Gurupadaswamy. Yes; Shri M. S. Gurupadaswamy.

Shri M. S. Gurupadaswamy: The hon. Minister while concluding his remarks, observed that he is a proud man today and I think there is some justification for that statement. But, I want to make one thing clear. This Banking Companies Amendment Bill was too much delayed. There was no necessity to bring about an ordinance for this purpose. I say this; because there was enough time for Government to introduce this Bill even during the last session. Even in the present session, the Government could have introduced this Bill much earlier and given us some sufficient time to study the Bill. But, only a few hours ago, we were told that this Bill will be taken up today, interrupting the debate on another Bill. I feel that the time given is very inadequate. This is a very important Bill. In this hasty fashion, we cannot discuss it thoroughly and do justice to the various provisions contemplated.

Mr. Deputy-Speaker: Was not the change of programme circulated to hon. Members earlier?

Shri M. S. Gurupadaswamy: No, Sir.

Shri T. K. Chaudhuri: It was circulated only yesterday morning.

Mr. Deputy-Speaker: Was not this Bill on the Order paper?

Shri M. S. Gurupadaswamy: No. Sir.

Mr. Deputy-Speaker: For the whole week, not in the Order paper?

Shri M. S. Gurupadaswamy: No. Sir.

Shri S. S. More: Besides, Sir, important documents have been mentioned in the Statement of Objects and Reasons. As a matter of fact, I seriously doubt whether they are even available in the Library. We are absolutely handicapped. Unless we want to go through the former procedure of seeing the Bill through without allowing the Members to apply their mind, we have to accept some parts of quotation from the hon. Minister...

Mr. Deputy-Speaker: The hon. Minister read out extracts from a letter from the Chief Justice of Calcutta. Any paper read out in the House must be laid on the Table of the House. Is he willing to place the letter on the Table of the House for the information of other hon. Members?

Shri A. C. Guha: I do not think there is any objection. Anyhow, I should like to consult the Law Minister whether I can place the letter on the Table of the House. There cannot be any objection.

Dr. Lanka Sundaram (Visakhapatnam): May I say, Sir, that the hon. Minister cannot possibly take the position that he will consult the Law Minister whether the paper that he has read out can be placed on the Table or not. The rule is clear.

Shri A. C. Guha: The letter being that of the Chief Justice of the Calcutta High Court...

Dr. Lanka Sundaram: He should not have read it then.

Shri A. C. Guha: The relevant portions of the letter I have already given; I can give the other portions which are with me now.

Shri S. S. More: With your permission, Sir, in the Statement of Objects and Reasons, the report of a Committee has been referred to. It is stated:

> "The Reserve Bank, the State Governments and the various High Courts were consulted on the recommendations of this Committee and the present Bill is based on the recommendations of the Committee and the suggestions of the authorities consulted."

So, my submission is that this Bill is being rushed through. It was not on the ordinary Agenda of the House. They have secured a certain priority and that priority has been awarded at our cost, as a matter of fact,

If you will be kind enough to look into some of the provisions, you will see they are so drastic that normal criminal provisions are upset, the Evidence Act is being upset.

An Hon. Member: And everybody is being upset.

Shri S. S. More: We are all upset, as a matter of fact, because some of the documents are not circulated to us. I can appreciate the anxiety of the Minister and the Government for the small depositors, as a matter of fact, but we are also depositors of the confidence of the people, and as such, we must do fair justice to the people. We are proceeding with a blank mind as is usual with the Government.

Dr. Lanka Sundaram: May I make a supplementary statement on this? You would recall two days ago you were in the Business Advisory Committee when we were told these Ordinances would come up for discussion from Monday next. And the Order Paper is telescoped now and this is the position. And almost every hon. Member thought the Ancient Monuments Bill would be discussed. We have actually had no time to go into the provisions of this Bill.

Mr. Deputy-Speaker: I might suggest one course. Has a copy of whatever papers have been referred to in the Committee's Report been placed on the Table of the House, or is a copy available in the library?

Some Hon. Members: No.

Shri A. C. Guha: The Committee's Report, I think, is already available in the library.

Shri V. B. Gandhi (Bombay City—North): I got one, Sir.

Shri A. C. Guha: It has been available for some months.

Mr. Deputy-Speaker: So far as the other matters are concerned, the Resolution will commence at 4 O'clock. We have barely half an hour, less than half an hour. Let us go on with the discussion.

Shri S. S. More: The Committee's Report may be there, but subsequent to the Committee's Report, certain other important authorities were consulted, and these weighty consultations have become the foundation of this Bill. It is not only based on the Committee's Report. So, it is no use...

Mr. Deputy-Speaker: If there are any other opinions received on which the provisions of the Bill have been based and if they can be made available to the Members of the House, they may be circulated to hon. Members either wholly or by way of extracts before we meet on Monday so that it might be useful. The hon. Minister might consider it.

Shri A. C. Guha: We have consultted the Reserve Bank and the High Courts. These are the other authorities. As regards the Reserve Bank, it is a departmental matter. I do not know how it can come before the House.

Shri S. S. More: Why not?

Shri Sinhasan Singh (Gorakhpur Distt.—South): There is the High Courts' opinion also.

Shri A. C. Guha: The Chief Justice of the High Court was consulted. We personally went to Calcutta to discuss this matter with the Chief Justice of the High Court. Shri D. N. Mitra was the Chairman of the Committee, and I personally also consulted the Chief Minister of West Bengal.

Shri S. S. More: Does the Minister contend that they are all confidential documents, departmental documents?

Mr. Deputy-Speaker: It is all personal consultation and there is no record of all that.

Shri S. S. More: Since they have found a reference in the Statement of Objects and Reasons, they have become the property of this House. And that is a point on which I should like to seek your ruling.

Mr. Deputy-Speaker: The discussion may go on. If there are oral dicussions, we cannot have a record of them.

Shri A. C. Guha: These are mostly oral discussions. We personally went to Calcutta. The Secretary of the Finance Ministry and myself personally went to Calcutta and consulted the officers of the Department, Shri D. N. Mitra who was the Chairman, and also the Chief Justice. These are oral discussions, and I had some communication with the Chief justice. These letters I think I may be able to place on the Table of the House.

Mr. Deputy-Speaker: I feel that whenever there is a Report or any other matter which has been the basis of a Bill or any provision of a Bill, the House must have an opportunity to look into them if they are referred to in the Statement of Objects and Reasons.

There is nothing to clap for. It is for this reason, that the House may have an opportunity to know on what material they have come to a conclusion. The material or opinions may be wrong or may be right, and the House will have an opportunity, if they are wrong, to correct them.

Except oral statements and oral discussions for which there cannot be any record and any other confidential papers for which the House has no right to call upon any Minister, extracts or originals of whatever records are referred to, in so far as they are relevant for the purpose of this Bill, must be placed on the Table of the House. If the Committee's Report is available in the library, it is enough. Any other matters which are referred to in the Statement of Objects and Reasons or by the hon. Minister, any documents to the extent that that document is relied upon, must be placed on the Table of the House. That is the general rule. I am not laying down any new rule. Whatever material is not available now which the hon. Minister is willing to circulate or has referred to here, should be circulated by extracts or otherwise to Members before we meet next on Monday. I shall only remind hon. Members of the Rule:

> "If a Minister quotes in the House a despatch or other State paper which has not been presented to the House, he shall lay the relevant paper on the Table:
>
> Provided that this rule shall not apply to any documents which are stated by the Minister to be of such a nature that their production would be inconsistent with public interest:
>
> Provided further that where a Minister gives in his own words a summary or gist of such despatch or State paper it shall not be necessary to lay the relevant papers on the Table."

He might say: "I had a discussion. This is the subject."

Shri M. S. Gurupadaswamy: But he read out from the letter and it should be considered public now.

Dr. Lanka Sundaram: May I draw your attention to one sentence in the Statement of Objects and Reasons?

> "The Reserve Bank, the State Governments and the various High Courts were consulted on the recommendations of the Committee and the suggestions of the authorities consulted."

The Minister of Finance (Shri C. D. Deshmukh): I accept the ruling. I accept the principle involved that if we say that the Bill is based on the recommendations or suggestions made by certain public authorities, then the House is entitled to have copies of such communications as we may have received from them. Overriding this question is that of public interest which I do not think it will be necessary for us to raise here.

Mr. Deputy-Speaker: Mr. Gurupadaswamy. He may be brief as a number of other hon. Members want to speak.

Shri M. S. Gurupadaswamy: If we look into the recent history of Indian banks, we will see—and even the hon. Minister will corroborate—that a very large number of banks were liquidated after the Second World War, and after partition. On this occasion though we are dealing with liquidation proceedings and some relief to be given to the small depositors, is it not worth while at this stage to examine the causes—the root causes—behind these various crashes? I feel that there is something chronically wrong in our banking system and banking policy pursued by the Government. And it is quite relevant even on this occasion, when we are discussiong this Bill, to advert to this problem and to examine briefly at least some of the grave drawbacks which are found in the banking system in India. It is particularly interesting to note that banks have failed and collapsed, after the war and after partition, during the days of independence. They remind us of the rule by our own Congress people. It shows that under the Congress regime, there have been more bank crashes, than during the British regime. What is wrong with the Congress regime or with the policy pursued by them? I plead that there must be something fundamentally bad.

[Shri M. S. Gurupadaswamy]

The main reason seems to me that encouragement was given to various enterprisers, and very many capitalists to start banking companies of their own, without giving much attention or thought to the basic principles which should underlie a banking concern. There has been too much of a growth of mushroom banking in the country, after we got independence. And our Government have not made any serious attempts to check the growth of these mushroom banks. That is why we see that from 1947 to 1951, nearly 118 banks have collapsed. That is a very big number. It is particularly interesting that these banks have collapsed in particular select areas, like Punjab, Bengal, Madras etc. I do not know why in other areas, this disease has not affected the banks, and why only in these areas, the banks have failed. There must obviously be something bad in them. I want a detailed inquiry into the whole question, as to why banks have failed only in select areas, and not throughout the country—of course, I do not wish it to happen throughout the country. What are the reasons for such a huge failure, within such a short time? We were told by the hon. Minister just now that the total amount involved in all these cases, comes to about Rs. 92 crores, which is a fairly large amount for a poor country like ours.

While discussing the motion for referring the Bill to a Select Committee, I only wish to say that this is a vital Bill, wherein very many important changes have been contemplated, which will affect the other laws in the land as well. But as I said sufficient time has not been given for this Bill. We have now taken up the Bill in a hurry for discussion, and I would say that a week's time or ten days may be given to the Select Committee to present their report to the House. There is no difficulty in this, because the Ordinance was issued only on the 24th October 1953, and I think there is enough time for the Select Committee to go into the provisions of the Bill, and make their report. I do not know why the hon. Minister is a little bit hesitant in accepting my amendment. Of course, since he has not expressed it in explicit terms that he is not going to accept my amendment, I still hope that he will accept it, and I hope he will be goaded by the House to accept it.

Sir, this measure contemplates changing very many provisions in the parent Act, particularly the one dealing with liquidators. Before going to other matters I want to make one or two observations on this particular aspect. We are aware how these private liquidators are making huge amounts. Now it is not necessary to start a business, it is not even necessary to start any bank or joint stock company, it is just enough to become liquidator of a crashing bank, if one wants to become a very big capitalist. In fact, many people have become big capitalists that way, and I think it is very tempting to become a liquidator nowadays. So, the amendment that is being contemplated in the present Bill is really a commendable one. I am sure it will improve the situation, though it will not solve the problem completely. It will improve the situation in this way, *viz.* that if a fixed commission is fixed for the official liquidator appointed by the High Court, and if sufficient supervision and check is exercised, it is quite possible to prevent the liquidators from amassing too much of wealth by this means. Thus, the situation may improve, though the problem may not be fully solved, because we are not sure whether even the official liquidators will be as honest as we think.

About the directors, I have come to the conclusion almost that some of them seem to be organised swindlers of society. I am making this very strong statement, because I have been associated with certain banks—

not as a director,—and I have been following their activities closely in a number of ways. The Directors collude very often with the officers of the bank, and misuse their position for overdrafts and such other things. If any one makes a representation about any case of injustice the Directors will not take cognisance of them. Neither the General Manager nor any other Manager of the Bank would take cognisance of them; and the Directors will come to the rescue of the General Manager or the mangement, if any complaint is made against the latter. As a result of all this, a lot of harassment is caused to the public as well as to the employees of the banks. These activities are going on even inside the scheduled banks, let alone non-scheduled banks. I think very strict measures should be undertaken to prevent the misuse of their responsibilities, by these Directors. The whole evil in the banking system is due to one fundamental fact, that the banks have been left completely in the hands of private individuals, though some serious attempts have been made...

Mr. Deputy-Speaker: Are we going into the general law of banking now?

Shri M. S. Gurupadaswamy: This is only an effective remedy to quickly dispose of the problem. The Bill contemplates some changes in the provisions relating to liquidators and directors, and therefore I am making these observations on this matter. So, I am not quite irrelevant.

Mr. Deputy-Speaker: The law of banking is such a wide subject, that anything can be talked about directors, liquidators and so on.

Shri M. S. Gurupadaswamy: I am only suggesting a small and sure remedy. I only want to say that the fundamental mistake is that there are no State banks, excepting of course, the Reserve Bank, which stands on a different footing. I only want to draw the attention of the hon. Minister and this House to the question whether this is not the occasion for nationalising the banks.

Mr. Deputy-Speaker: That is irrelevant, for the purposes of this Bill. Many things can be said...

Shri M. S. Gurupadaswamy: I am just providing a solution.

Mr. Deputy-Speaker: When that solution comes up, hon. Members will have sufficient time to talk about it.

Shri M. S. Gurupadaswamy: There is another provision in the Bill regarding expeditious disposal of liquidation proceedings. Of course, we are all agreed that there should be more economy of time and expenditure in these matters. At present, we have been allowing a multiplicity of proceedings, with the result that there has been a lot of delay. It is very necessary therefore that some provision should be made to minimise the time and expenditure involved in these proceedings.

4 P.M.

So in this particular matter, the Bill is decisively far better than the original Act. So we welcome this measure so far as this aspect is concerned.

There is also another important question.

Mr. Deputy-Speaker: If there is anything more, the hon. Member will continue later on. At 4 O'clock we have to take up the Resolution.

Shri M. S. Gurupadaswamy: I will continue, later.

RESOLUTION *RE*: UNEMPLOYMENT—*contd.*

Mr. Deputy-Speaker: Now, further discussion of the following Resolution moved by Shri A. K. Gopalan on the 22nd August 1953:

> "This House is of opinion that immediate steps be taken to arrest the growth of unemployment in the country and to provide relief for the unemployed."

[Mr. Deputy-Speaker]

Some amendments also have been tabled and moved. Now, already we have spent three hours and a number of hon. Members from various groups have spoken on this matter. How long does the House desire to spend on this matter?

Shri S. S. More (Sholapur): On the last occasion, we had tabled some amendments and they were taken as moved. Now another set of the same amendments have been circulated. Of course, those amendments which were already there won't lapse. Or are they again.....

Mr. Deputy-Speaker: All the amendments that have been moved from time to time go along with the Resolution. They have been circulated for convenience, as a reminder.

Shri S. S. More: I was under the impression that it is interpreted that they have lapsed and therefore, another set of the same amendments should be moved.

Mr. Deputy-Speaker: No, no. It is not necessary at all.

Shri T. K. Chaudhuri (Berhampore): The Government then moved an official amendment. Do the Government intend to have that moved today?

Mr. Deputy-Speaker: Was that not moved already?

Shri T. K. Chaudhuri: That was moved.

Mr. Deputy-Speaker: That is all right. All the amendments that have been moved so far go together with the Resolution and are now under discussion. The old amendments need not be moved again. They are taken as moved.

Now, I am on this. Three hours and some minutes have been spent on this Resolution. Normally, one hour more will make one full day according to the old time.

Shri H. N. Mukerjee (Calcutta North-East): May I suggest that we spend two hours on this Resolution because it is rather important, and then in the last half hour the next Resolution may be placed before the House?

Mr. Deputy-Speaker: Very well.

Shri Gadgil (Poona Central): May I say, Sir, that since unemployment is a very vital question and every one of us is worried about it, even if you extend the discussion to the next day also, it would not be inappropriate? Because people are more interested in this particular question than in the reorganisation of the Government departments, this that and the other. The interest there is also proper, but today thousands and thousands are without...

Shri S. S. More: Lakhs:

Shri Gadgil: At least, speaking for myself, I am so much embarrassed. Every day, every dak brings a number of letters, pathetic in tone and factually most unpleasant.

Kumari Annie Mascarene (Trivandrum): Every one of us has that experience.

Shri Gadgil: So I think it is desirable that we go on discussing this not only today, but, if possible, on the next day also.

Pandit S. C. Mishra (Monghyr North-East): That is the sense of the House.

Shri Kelappan (Pounani): Before we proceed, there is an amendment by Shri Deshmukh.

Mr. Deputy-Speaker: That was referred to.

Shri Kelappan: We would like to know what the Government have to say to solve this problem, as a specific matter.

Shri S. S. More: They have nothing to say

Mr. Deputy-Speaker: Is it the desire of hon. Members that the hon. Minister should intervene once again?

Some Hon. Members: Yes.

Mr. Deputy-Speaker: What is the suggestion of the hon. Minister?

The Minister of Finance (Shri C. D. Deshmukh): We did not know how long this was going to last. We did intend to intervene—'we' means, the hon. the Minister of Planning and myself—during the course of this debate. But if it is the wish of the House that we should start off the debate, so far as I am concerned, I am quite willing and then I think perhaps...

Mr. Deputy-Speaker: Is that the desire of the House?

Several Hon. Members: Yes, Sir.

Mr. Deputy-Speaker: Let me decide one subject after the other. The hon. Deputy Leader of the Communist Party said we might close this Resolution at 6 O'clock and then take up the next Resolution.

Shri H. N. Mukerjee: May I point out that if I had known that both the Ministers were likely to speak, I would certainly have suggested a longer course, because in that case naturally the discussion would be prolonged as the Ministers naturally would take a longer time than the average Member and then after what the Ministers have said is digested by ourselves, it would be necessary for us also to try and make our contribution. That would necessarily protract the proceedings, and if the two Ministers speak—I am very happy to know that they are likely to—then I suggest, in modification of my earlier request, that this may be extended.

Shri S. S. More: After the Ministers have spoken, let us decide what time we shall take.

Shri Gidwani (Thana): We shall certainly...

Pandit S. C. Mishra: There should be no dearth of time on this. As the hon. Member, Mr. Gadgil, has said, this is a most important problem before the country at present. Therefore, Sir, any time spent on it will be usefully spent.

Mr. Deputy-Speaker: There is no provision for a Select Committee on such a Resolution. Select Committees are only with reference to Bills. Various hon. Members have got suggestions to make, and in the interest of the Five Year Plan, the hon. the Finance Minister also thinks that the Resolution may modified so as to recommend to the Government that the Five Year Plan may be suitably amended to make proper provision. Mr. Patnaik, for instance, wants to speak on defence and how that may be an avenue for supplying employment and so on. I thought, therefore, as the hon. the Finance Minister has been accustomed to do, that he might collect what exactly each Member has to say—one, two, three, four etc.—and ultimately say something to the House.

Shri S. S. More: There is no want of suggestions...

Shri C. D. Deshmukh: Mr. Deputy Speaker, Sir, in this, as in other economic matters, when time has lapsed, it is necessary, I think, to reassess one's factual data, and that is what we have attempted to do in regard to the unemployment situation. So far as the number of unemployed on the live registers of Employment Exchanges is concerned, I do not think that there has been any development for the worse. Our figures are only up to the end of September and the number registered at the end of that month was 512,000 as compared to 466,000 and the rate of monthly registration rose from 120,000 in May to 136,000 in July, but fell thereafter to 122,000 in September. Vacancies notified declined from 26,000 in May to 17,000 in August, but rose again to 19,000 in September, and the total placings have also shown a downward trend.

Well, Sir, therefore, the position can be regarded as not very much worse, and considering the limited coverage of the Employment Exchange data, I do not think we can infer very much from these figures. The reports that were received by the Director General of Resettlement and Employment

[Shri C. D. Deshmukh]

in September are slightly more optimistic in regard to the employment outlook than the reports received in the previous months.

Now, Sir, as regards the employment position in industries. The figures that we gave related to the period up to July 1953. Now, since then, the developments have been as follows:

In the textile industry, the employment has increased from 819,000 in July to 821,000 in August. In jute, the employment position has been fairly steady, the number employed remaining more or less unchanged at 265,000 in the months of July, August and September. In Cement there has been a distinct improvement, the employment in that industry rising from about 22,200 in July to 25,900 in September. Then there has been a small increase in employment in the paper industry and in the plywood tea-chests industry. On the other hand, coal shows a drop of about 19,000 in figures of the order of about 329,000. But, that appears to be on account of migration of labour to the villages for cultivation. Machine tools, refractories and power alcohol have also registered decreases in employment. Therefore, Sir, these figures as well as the figures of employment exchanges mentioned earlier do not indicate any marked change in the employment situation taken as a whole.

Next, Sir, the House would like to know what is happening to the various specific enquiries that we said we had undertaken. I think that was in answer to a question. Now, we have undertaken enquiries on unemployment, through the Planning Commission, (i) a preliminary survey of unemployment trends in 23 towns selected on a sample basis; (ii) a sample enquiry into the live register of Employment Exchanges in Delhi; (iii) an enquiry into unemployment in Travancore-Cochin and (iv) an enquiry into unemployment in Calcutta. In addition, the National Sample Survey, in its regular programme is collecting data of unemployment in 960 villages, 53 towns of different sizes and the 4 big cities of Calcutta, Bombay, Madras and Delhi.

Now, in regard to the first and second items, the field survey operations have been completed and the results will be available in about 10 weeks' time, [in (i) and (ii).] Then, in regard to (iii), that is to say, enquiry into employment in Travancore-Cochin, the work on the enquiry is to commence shortly. Regarding (iv) that is to say, unemployment in Calcutta, the field work has been completed and the work of processing the data is being taken in hand. Meanwhile, a preliminary report on unemployment prepared by the West Bengal Government is being studied in the Planning Commission. I refer to this in some detail because in one of the speeches, there was a suggestion that a Commission or a Committee of Enquiry should be appointed to study this problem. And, the trend of my argument is that the enquiries that we considered necessary are already being undertaken and it is not therefore necessary for Government to appoint any such fact-finding Committee or Commission.

Now, Sir, in regard to remedies. The first thing is the appraisal of the economic situation. During the speeches that were made previously, there was frequent reference made to the rising trend of prices since the beginning of this year. An analysis of the various trends in the economy at the time had indicated that there was hardly any inflationary pressure. Therefore it looked as if there should not be any upward trend in prices. That was my belief, Sir, and the movement of the index of prices in recent months has confirmed this analysis. Prices have taken a downward turn since September and the index for the week ended November 7, was 391·5 as compared to 412 about the middle of August. There has thus been a fall of about 4·8 per cent.

over the wholesale prices over the last few months. Now, for the week ending November 14th, for consumer goods it fell to 384·5 from 410. The wholesale cost of industrial raw materials have fallen from a level of 490 or so about the middle of August to 435. Semi-manufactured and manufactured goods have, after their usual pattern, recorded some declines. The cost of living index in some centres like Bombay and Delhi have not yet declined but a downward trend is visible in several centres such as Ahmedabad, Calcutta, Madras and Cuttack and indications are that in the coming months the indices will register a fall.

Now, to the extent that the recent trend in prices was causing concern in the early part of the year, these trends are not unexpected and are perhaps welcome. But, of course, taken in conjunction with the other trends which I shall presently mention, they do indicate one thing and, that is, a certain amount of insufficiency of purchasing power in the system. I refer to this question because this was a somewhat perplexing element which no one could quite explain, how the rising prices could be consistent with falling employment opportunities.

Shri B. Das (Jajpur-Keonjhar): You have to ask Prof. Mahalonobis and he will give you hundred and one reasons.

Shri C. D. Deshmukh: I do not think that anything which Prof. Mahalonobis would give will alter these figures.

I may mention here, Sir, that we have nearly completed the revision of the wholesale index, that is from a technical point of view. So far as the measurements of trends are concerned, I think the present figures are good enough.

Now, we come to food. As hon. Members are aware, production of food-grain in 1952-53 was about 5 million tons more than in the previous year and the prospects for 1953-54 are equally good. There has also been a steady increase in industrial production, on the whole. The general index of industrial production, based on 1946 as equal to 100, rose from 117·2 in 1951 to 128·9 in 1952. During the period. January to August 1953, the average has been 133·6 as compared to 125·2 for the corresponding period in 1952. Cotton textiles, paper, chemicals, bicycles, sewing machines, sheet-glass and most of the engineering industries have recorded larger outputs during the first 8 months of this year as compared to the corresponding 8 months of last year. While jute manufactures, paints and varnishes, refractories, plywood, non-ferrous metals and Diesel engines have shown a fall.

Now, so far on the surface there is little in the economic situation, according to me, to cause any serious concern. The question is whether the present situation is stable or whether there are any signs of instability. That is the real question that faces one when one takes the past figures or the present gross. The basic question, therefore, we ask ourselves is whether the aggregate demand in the economy is increasing at a rapid enough rate to enable not only the absorption of current production but also to induce an expansion in the same so as to secure a rising level of income and employment. That is the central problem. Is there sufficient investment in the economy to ensure a progressive increase in production and employment? And, it is round this question that my amendment is based.

Now, Sir, during the last two years investment in the public sector has, as the House is aware, been speeded up considerably. The extent of development expenditure by the Central and the State Governments is expected this year to be round Rs. 415 crores, which is about 150 crores more than in 1951-52 or about 56 per cent. more than in 1951-52. Now, the data regarding investment in the private sector and its various constituents are not available. Apart from the general signs of slackness in economy and the

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increase in unemployment at a time when all was going well, the economy should have been under some strain on account of the pressure from various demands and also employment should have been at a fairly high level. It is clear that the rate of investment of industries has been insufficient. Now in which sector the investment has fallen or is lagging behind it is at present difficult to say because of the inadequacy of the data, but there can be little doubt as to the overall position. Now, in this connection, I should like to remove a misunderstanding which might have arisen on account of certain preliminary statements which were made in the progress report, which was placed before the House, of the Five Year Plan that was published in May last. It was stated in that report that the progress of industrial investment in the private sector had fallen considerably short of the target envisaged in the Five Year Plan. In recent months the Planning Commission has looked into this matter and it has been found that the statement made in the progress report needs amplification. The Plan envisages after the five-year period an investment of Rs. 233 crores for industries in the private sector. The data available to the Planning Commission indicate that investment for the first two years was of the order of Rs. 52 crores. At this rate, the total investment for the five-year period would amount to only Rs. 130 crores. Stated thus, the position appears to be unsatisfactory. On a closer examination, however, there appears to be no reason for taking a pessimistic view. The figure of Rs. 233 crores of total investment visualised for the five-year period includes Rs. 64 crores for petroleum refineries, Rs. 43 crores for iron and steel and Rs. 9 crores for aluminium. In other words, development in these three industries was expected to account for a total of Rs. 116 crores during the five-year period. For various reasons, the investment, during the first two years of the Plan, on development in these important industries was about Rs. 4·5 crores on iron and steel and Rs. 3 crores on petroleum refineries. If the case of these three industries is treated apart, then we find that in the first two years of the Plan, Rs. 44 crores was invested in the industrial sector towards the target of Rs. 117 crores for 5 years. Therefore, viewed thus, the progress for the first two years must be considered upto the targets. For the petroleum refineries and for the iron and steel expansion to go forward, the necessary preparations have now been made and heavy expenditure on them is expected in the remaining period of the Plan. During the current year, investment in the industrial sector is expected to rise to something like Rs. 53 crores, and at that rate the target of Rs 233 crores set in the Plan would be almost attained. I mention this because statements have been made from time to time on the part of capitalists that the private sector is being starved in the interest of the public sector, whereas the stand of the Planning Commission is that there is a slack in both sectors perhaps, which could be dealt within the light of the indices that are available to us. Now what are these indices? In determining the optimum of all investment, there are three indicators to be constantly watched. One is the price level; the second is the state of employment and the third is the foreign exchange position. The first indicates that investment in the economic field is done without too much risk because prices now are definitely showing a downward trend. If they were rising, then that would be regarded as some sort of danger signal. The second indicator, *i.e.* the state of employment, indicates again that investment must be stepped up because I do not think it can be doubted that there is a great deal of unemployment existing at present. The third indicator, namely, the foreign exchange position, is really the sort of ruling indicator and reinforces these two other conclusions; that is to say, if there is not sufficient investment

expenditure and therefore there is not sufficient impact on total demand, including demand on the resources to be imported from abroad, then we would find that we are not spending enough from our foreign exchange resources. As against the current account deficit of Rs. 134 crores in our external accounts for the 12 months ending June 1952, there was a surplus of Rs. 63·5 crores for the period July to December 1952 and the first half of 1953 showed a position of near balance with a surplus of Rs. 14 crores for the first quarter and a deficit of Rs. 13·5 crores for the second quarter. Now, considering the level of food production in the country, we have no reason to believe that there will be an adverse turn in the balance of payments in the near future. The sterling balances in the Reserve Bank are now over Rs. 700 crores, and allowing for a normal currency reserve of Rs. 400 crores and a further Rs. 100 crores for meeting certain liabilities on capital account and against untoward developments, about Rs. 200 crores can be used in the remaining period of the Plan for meeting our foreign exchange requirements. There is, in addition, about Rs. 119 crores of external assistance available from this year's authorisation and the balance of last year's authorisation. Perhaps it would not be unreasonable to expect that further external assistance in reasonable amounts would be forthcoming. Therefore, the general aim of the economic policy should be to utilise these external resources for full. A strong foreign exchange position is certainly good for the successful implementation of the Plan, but caution can be overdone and excessive accumulation of such reserves is undesirable. If it goes hand in hand with inadequate investment and employment, under such circumstances it would be an indication—an important indication—of the insufficiency of domestic expenditure whether in the private or in the public sector. Therefore, Sir, the conclusion is inescapable that if the problem of employment is to be handled, the rate of investment must be brought up to such a level that it enables full utilisation of the foreign exchange resources available either out of past savings or by way of current external assistance, and it would be quite ironical if a country, which has a big development programme, ends up with surplus in its external account, which really means that that country is making short terms loans abroad due to accumulation of its reserves. Considering all these three indicators, there is need as well as scope, we freely admit, for increasing the rate of investment in the economy...

Mr. Deputy-Speaker: It might also mean that there is no progress here.

Shri C. D. Deshmukh: There is no adequate expenditure here such as to cause an impact on general demands including demands on resources which we import from abroad. There should be sufficient expenditure here to ensure that we establish an import surplus in order to make use of our foreign exchange reserves.

Mr. Deputy-Speaker: How to increase employment consistent with the fall in prices?

Shri C. D. Deshmukh: Then prices would cease to fall. There might be a slight tendency for prices to rise. So long as they do not get out of hand, the situation may be said to be held. That is the problem before the Planning Commission and the fiscal and monetary authorities. It was for this reason that the Planning Commission has decided recently to increase the size of the Plan by Rs. 175 crores, and details of that, if the House likes, will be placed before you by my colleague, the Minister of Planning. I should like to stress that with this increase, the rate of development expenditure in the public sector —which is what I wish to point out— will have to aggregate to Rs. 625 crores for the next two years as

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against a little under Rs. 300 crores a year for the first two years; we are more than doubling the rate of expenditure. And also, as compared to last year's expenditure the development expenditure in the next two years will be more than Rs. 200 crores above the current year's rate. Now that is a fact which I think it is important to bear in mind before one goes about seeking for further remedies to deal with the unemployment situation from a long term basis. Expenditure of this order is bound to raise money incomes internally. It will increase necessarily the volume of employment and it will create additional demands by way of foreign exchange. That is the situation which we seek to create.

It is not easy to assess in quantitative terms the total employment effect of this increase in public investment. There is no formula by which this can be calculated, but we have seen that in the schemes on which expenditure is to be increased in the coming years, undoubtedly we have taken care to see that there is a large employment potential. Perhaps the House will be interested to know what is the employment potential of the schemes already in hand. There are the Central river valley projects for instance. During the working season 1952-53, the D.V.C. employed 31,000—38,000 people per month. The Hirakud project employed.....

Mr. Deputy-Speaker: Is there a break-up of the educated employed and the non-educated employed?

Shri C. D. Deshmukh: I have not got the break-up, but one could work a sort of general formula which would show that per hundred maybe about 15 are educated employed: the rest are skilled and semi-skilled labour or technical personnel, like craftsmen, foremen, and so on.

The Hirakud project employed 22,000; the Kakrapara project 8,600 and the Bhakra-Nangal 70,900 per month. On community projects some 4,500 persons were employed on the staff during the nine months ending June 1953 and an equal number were employed in the project areas in the execution of the various works schemes. For 1953-54 the community development blocks and the National Extension blocks are expected to employ about 11,000 workers on the staff and the estimated employment on the execution of works will probably be of the order of 10,000. The number of rural teachers who will be employed as a result of the expansion in the educational schemes which have already been announced and which are now being sanctioned is estimated at over 16,000 and further sanctions are under discussion.

Mr. Deputy-Speaker: What portion of this will be of a permanent and durable nature? Bhakra-Nangal may disappear after five years.

Shri C. D. Deshmukh: There will always be other river valley projects to take their place. There are many projects which are already in the queue: we are investigating the Kosi: Koyana has yet to be started. There will be some form of the Krishna river project in the South. Chambal is getting under way.

Kumari Annie Mascarene: Any further in the South?

Shri C. D. Deshmukh: I think Krishna was in the South.

Kumari Annie Mascarene: Further South?

Shri C. D. Deshmukh: Tungabhadra is nearly completed.

Kumari Annie Mascarene: It is a dream now.

Shri C. D. Deshmukh: Details of what has been sanctioned further South in the Coimbatore district will be given by my hon. Colleague the Minister for Planning. He will give details of the Rs. 40 crores.

If South means Travancore-Cochin I do not know what answer I shall give.

Now I come to the private sector. We recognise that we must do everything to encourage investment in the private sector. This is a matter in which we can never hope to reach agreement with members of the opposition. That is to say, we can only argue this case on the basis of the continuance of mixed economy in some form or the other. Speeches have been made from the opposite benches advocating that if full employment is to be reached then it can only be done by the establishment of socialism. I do not believe that the suggestion has been made that full employment can only be reached by establishing a Communistic order in this country because the remedies actually suggested by the hon. member who has moved the Resolution were distribution of land and creating a fund of Rs. 50 crores for giving out doles. I should like to ask, incidently, the hon. member, or anyone who is speaking on his behalf, whether there is any communist country in which moneys are set aside for giving doles to the unemployed.

Shri S. S. More: There is no unemployment there.

Shri C. D. Deshmukh: I could have understood them if they had said that all these troubles arise because we do not have a proper philosophy, or proper economic order. But I cannot understand their suggestion that whatever trouble has now arisen can be met by distribution of doles.

Shri S. S. More: This is a mixed suggestion!

Kumari Annie Mascarene: Is the hon. Minister aware that there is no unemployment in Communist states?

The Deputy Minister of Food and Agriculture (Shri M. V. Krishnappa): What was it twenty years ago?

Shri C. D. Deshmukh: I have made my point. I can understand people saying that you are suffering all these troubles because of the fact that you are following a wrong philosophy.

This problem of encouragement of investment in the private sector has many aspects. One approach to it is through the setting up an Industrial Development Corporation. We have referred to this from time to time and all I can say is that we have done a great deal of thinking on this and we hope to reach a decision shortly. I should like in this connection to repeat an assurance I gave at the last meeting of the Industries Advisory Council, that if industries are hampered for lack of long term finance Government would be glad to extend assistance to them, if they would put forward concrete schemes. But each individual case has to be considered on its merits. In so far as short term bank finance is concerned, I think the House is aware that the Reserve Bank has appointed a Committee under the Chairmanship of Shri Shroff to consider this matter. Regarding any fiscal incentives that are said to be necessary, I feel that we must await the findings of the Taxation Enquiry Committee. All I should like to say at this moment is that Government are anxious to assist development of the private sector in so far as resources permit and in so far as public interest warrants.

Now, Sir, it has been said in some quarters that investment in the public sector must be reduced in order to leave reserves in the hands of the private sector. I have already said that I do not believe that this diagnosis is correct. I think the likelihood is that if at this stage investment in the public sector is reduced, it will aggravate the deflationary trend and create more unemployment.

Now, Sir, in addition to loan assistance which Government is prepared to extend to private industry, there are of course special problems affecting particular industries, for example idle installed capacity. These have to be gone into individually and suitable measures taken, and I believe

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enquiries to this end are actively in progress.

I should like to say, in conclusion, that this question of unemployment has a long term and a short term aspect. The long term aspect I have dealt with. In regard to the short term aspect, I agree that where there is distress, some kind of relief should be provided. My difference with the hon. the Mover of the Resolution lies in this that whereas he thinks that doles would be a useful form of abating this distress, I' think that if possible some kind of work, either fully productive or partially productive should be found. And if our organisation—and certainly that is not beyond our resources—could be told that we contrive kinds of schemes which could be extended or contracted at will in order to meet the unemployment situation as it appears from time to time, then we shall have solved the problem. In other words, what I have in mind is the sort of schemes that we are habituated to see for the relief of unemployment created by a particular situation, namely, famine or scarcity. One has to extend one's logic a little beyond that. It is not related to any particular calamity, but it seems to seep through the whole economic structure. Therefore different kinds of schemes will have to be drawn up. Some of them would be urban so that they would meet the needs of educated unemployed, and some of them might be rural, that is to say to the extent to which the schemes provided in the Plan do not meet the situation. In particular I am inclined to think that an expansion of the transport programme would help considerably in this connection.

One last point. I do not see how redistribution of land is going to help in this unemployment situation. For what I know it might just succeed in distributing unemployment so that a larger number of people would be under-employed instead of a smaller number of people. That does not mean that I do not attach importance to the question of redistribution of land. Our philosophy in that may differ slightly. There may be constitutional obstacles in the way, but subject to that we are also proceeding in that direction.

That is all, Sir, that I have to say generally on this subject in support of my amendment.

Kumari Annie Mascarene: May I ask one question? While referring to the investment and the targets of production, the hon. Minister said that the publication by the Government is not complete. May I know when the report will be complete. That is one thing.

And the other is, in the light of the facts given in his speech, may I know whether there is a re-planning of the existing Plan.

Mr. Deputy-Speaker: That is his amendment.

Shri C. D. Deshmukh: The answer to the second question is yes. The first is not very clear to me.

Mr. Deputy-Speaker: When is the report coming?

Shri C. D. Deshmukh: Which report, Sir?

Kumari Annie Mascarene: The report regarding the investment in the private sector and the target of production already published by the Government.

Shri C. D. Deshmukh: There is no report. I dealt with certain observations made in regard to the expansion of the private sector in the progress report. If she means when shall we place before Parliament a second progress report, I cannot answer that question off-hand. But since that report was placed before the House in May, maybe the time has arrived when we should let them have a second progress report very soon. But whether it can be done this session or early in the budget session I cannot at the moment say.

Mr. Deputy-Speaker: Shri Nanda. I thought that hon. Members might be anxious to hear him.

The Minister of Planning and Irrigation and Power (Shri Nanda): Sir, I leave it to them. If they think that at a later stage it might be more useful for me to speak I am prepared to do that. If on the other hand it is their wish that I should add something to what has been said now itself I shall do so.

Mr. Deputy-Speaker: How can there be unanimity of opinion in this regard? The hon. Minister will decide for himself whether he would like to say anything now.

Shri Nanda: Since I am going to have only one chance I will take it later.

Dr. Lanka Sundaram (Visakhapatnam): We have not yet decided the question whether we are closing the debate today.

Mr. Deputy-Speaker: There is no closing of the debate today.

Shri D. C. Sharma (Hoshiarpur): In order to have a clear picture I would suggest that the hon. Minister of Planning should also have a say before we start.

डा० एम० बी० खरे (ग्वालियर): क्या अभी आप की तैयारी नहीं है ?

उपाध्यक्ष महोदय : हमेशा तैयारी है ।

Dr. Krishnaswami (Kancheepuram): Mr. Deputy-Speaker, the House must be thankful to the Finance Minister for having clarified the economic issues, even though it may not be in agreement with him on the recommendations that he has made to solve the problem of unemployment.

I should like to make an observation at the outset which I hope will not be considered uncharitable. I contend that the Planning Commission did not make its recommendations on the footing that there would be increased employment in our country. It is no reflection on the Planning Commission to suggest that it was not concerned with the problem of unemployment at all; it met at a time when inflation was the order of the day, when the Korean war with its demand for stock piling was in fullswing and when well-meaning citizens were laying stress on productivity to the exclusion of other factors. Quite naturally the planning commission could not be concerned with problems of employment and unemployment except in a very indirect and very remote fashion.

But today the situation is different and I hope it is realised by hon. Members on all sides of this House that we have reached a very critical position in the economy of our country. The incomes in our distributive trades have fallen by over 25 per cent according to qualitative estimates made by sapient observers of our economy. The general expansive trend which continued from 1945 to 1952 has ceased altogether. The Finance Minister has pointed out, that vacancies notified to the Employment Exchange by firms and Government departments show an appreciable decline. Unemployment is probably most severe in the commerce and service occupations of our economy.

There is also another important factor which we have to take into account. Our export incomes have declined by over Rs. 60 crores and this decline is concentrated in certain regions. The unemployment belt is probably most prominent in the South Indian States and in the ports of our country. Travancore-Cochin has been worst hit as a result of the fall in export incomes.

The third point on which I think sufficient stress has to be laid and which has not obtained that amount of attention which it deserves, at the hands of government spokesmen is the great change that has occurred in our terms of trade. The terms of trade have moved against us, which means that the imports today have become more expensive. There has

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been therefore a sharp diminution in the real incomes available to us, and in a general atmosphere of depression this has tended to accentuate our difficulties. Some months ago when our trade position was examined by the hon. Minister of Commerce and Industry he pointed out that it was not a satisfactory state of affairs to have stationary imports and stationary exports. The favourable balance of trade which we had then was on this account not considered to be satisfactory. Now we are having a slight unfavourable balance of payments. But this must not either be considered to be satisfactory; rather we must take it that our position has worsened. We have an unfavourable balance of payments because our volume of exports has fallen during the past three months; while our imports have been relatively stationary in value and volume, our exports have declined both in value and volume. It is a very critical situation that we are facing when you begin to think of it. Our economy is becoming depression minded and if in this context a disinflationary effect is superimposed on it which is what happens as a result of a decline in our exports, we cannot afford to under-estimate the gravity of our economic position.

How are we going to surmount the difficulties that stare us and which threaten to overwhelm the economy? Today the economy is in a stationary condition. The main problem that faces the government is to give it a push so that it might move forward, more men might be employed and more real income might be available to the community. The Government may appeal to the private sector to invest in undertakings. But the private sector would be unable to respond to the appeal of the government, and there is no use blaming it. Generally the private sector is handicapped in a depression period from undertaking large scale investment; all investment made by the private sector is governed by market expectations, profits in the future, optimism and other such factors. In India, in particular there has been a spate of social legislation which, to a certain extent, has had a depressive effect on the private sector of our economy.

[SHRI PATASKAR *in the Chair.*]

We cannot therefore depend on the private sector to exercise that catalytic influence on that economy, which we might have expected two decades ago. As regards Government's ability to spend, this is restricted by administrative rules, routine and other checks and balances. I am not suggesting that these rules, routine, checks and balances should be done away with. They are proper rules devised with a view to ensuring legitimate expenditure. But, what I would point out to my friends is that when we are talking of a sudden increase in expansion of the currency or a great expansion of credit, we have to bear in mind the very serious institutional factors which we have to surmount.

Today, it is quite clear, and I think the Minister for Planning will be in agreement with me when I affirm that the rate of spending is inadequate. Our rate of spending is inadequate even to sustain what I would term the Korean level of employment which was after all the basis of the Plan. When we analyse what exactly was the basis of the first five year Plan and how expenditure was to be incurred, we would realise that we assumed that employment would continue to be on the same level as in the five year period in the first two years which happened to synchronise with the Korean war. If, therefore, we are inclined to do something practical, the first essential is that the amount of expenditure of Government will have to incur must be at least equal to the fall in export incomes and the unfavourable impact of terms of trade and reduction in private investment. It would be better to tackle the problem in this manner, so that we might avoid confusion and controversy over short term and long term remedies. One can Mr. Chairman, speak about long term remedies, about how the

problem of disguised unemployment can be surmounted, about how there should be investment on a very large scale, over a period of fifteen years about how it would be possible over a long period of time to increase the prosperity of our country. But, when we are concerned with the short period problem, I contend that the immediate objective is to bring about the Korean level of employment in our country.

The other day, one hon. Minister of this government pointed out that we could easily spend another 150 to 175 crores. But, may I ask certain pertinent questions. How is this money to be spent? In what particular sectors are we going to spend this amount? The important purpose of any Government expenditure is to give a push to the economy today. There seems to be no life left in the economy. Everybody seems to be content and complacent, we are in a stagnant state. The Central Government on the one side suggests to the State Governments that they have not been active in pursuing a policy of investment. The States Governments turn round and retort that the Central Government have lagged behind in their policy of expenditure. The private sector is also lagging behind and has not reached the targets set for it. All three are in the same position. This talk of spending another 150 to 175 crores is merely glib talk which will not hoodwink anybody and probably carry no conviction to the large millions of people in our country. Surely we must have definite ideas of how we are going to spend, this amount.

Shri C. D. Deshmukh: Rupees 175 crores in all or in addition? The Plan is going to be expanded by 175 crores. The total Government expenditure in the next two years including that expansion should be of the order of 625 crores in addition to the 53 crores of expenditure in the private sector?

Dr. Krishnaswami: I am taking that figure also into account. This amount is in addition to that suggested in the plan. I want to ask the hon. minister this amount. There going to spend this amount. There has already been as I suggested a lag in expenditure in the three different parts of our economy. A push can and should be given to the economy if we are to progress, but this cannot be done unless we think out policies afresh and execute them boldly.

The other day, I was reading an article in the Eastern Economist on this very subject. I found in it a passage of appositeness. Quoting from the Reserve Bank's figures, the writer pointed out:

> "The Reserve Bank's report shows that the sterling balances increased from £ 511 million to £ 536 million in 1952-53."

The commentator continues—I am making only a brief quotation:

> "India has been unable to use her sterling releases of £ 35 million for the foreign exchange year ending June 30, 1953, which implies that our true surplus on the balance of payments for this period is Rs. 80 crores. Considering that, following a statement on page 65 of the Five Year Plan, India was expected to run an annual deficit of between Rs. 180 to Rs. 200 crores. It would appear that, in the current year of the Plan, official estimators on foreign exchange have been about Rs. 260 crores out."

I affirm that the basic problem facing us is that the unfavourable balance of payment that we have planned for should be large enough to absorb the foreign aid forthcoming. I can give figures from the Technical Co-operation Administrations report in which it is stated that only half of the foreign aid has been spent. What are we going to do about these unspent balances? The push to our economy can come only when we are able to absorb all these funds so that we might create a new high level of

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incomes in our country. I suggest, Mr. Chairman.....

Shri C D. Deshmukh: Just one word. We have been astonishingly successful with the monsoons.

Dr. Krishnaswami: I am aware of it.

Shri S. S. More: Is that due to your efforts?

Dr. Krishnaswami: Sir, the fact that we have been astonishingly lucky with the monsoons shows that there must be a re-thinking of the type of imports that we have to import. Previously, because we had a succession of unfavourable monsoons, we had to import foodstuffs. The very fact that there has been a very favourable monsoon shows that we ought to concentrate on importing capital goods and other types of machinery, not on private account, but on Government account.

If we are to increase imports on Government account, we have to think of starting many basic industries like more steel plants, or importing locomotives and wagons for the purpose of expansion of Railway investment. Mr. Chairman, each time a plan is adumbrated, it contains within itself the seeds of its own chance. But the first Five Year Plan is an exception to this rule. Therefore the time has come not to tinker with it, but to scrap it altogether and have an entirely new plan. I make this suggestion because the premises on which the 1st Five Year Plan was founded, have changed altogether. If we wish to tackle unemployment, the impulse must come from Government expenditure and particularly in this period of depression on a very large scale. The hon. the Finance Minister pointed out the fact that we have such a favourable monsoon and that it has led to a decline in the kind of imports that we were importing. I suggest that if we are going to have favourable monsoons, then, there is need for having different types of imports so that these imports might generate incomes within our own country. This in its turn, might lead to an entirely different pattern of imports and exports in our country. There is stagnation facing this country because we have not taken account of the fact that as we progress, we have to expand the amount of expenditure on Government account into basic industries. If this is done, that would itself lead to a greater amount of dynamic expansion in the private sector.

Shri S. S. More: Only Government Members are expanding.

Dr. Krishnaswami: In addition to expansion of investment on Government account, I suggest that we ought to think of other supplemental measures. I say supplemental because, without the main impulse coming from Government expansion on a scale for basic projects, these supplemental remedies would be of little or no value. The most important supplemental measures that I suggest for the consideration of the Government is that there ought to be an open market policy pursued by the Reserve Bank in respect of purchasing securities from institutional investors and reducing the lending rate simultaneously.

Another suggestion which has been put forward, but which I have not had the time to examine at length, is the suggestion that the Reserve Bank should buy gold. I do not know what its value would be, but certainly it would be valuable in giving an expansive twist to the economy.

There is a constructive suggestion made about the constitution of an Industrial Development Corporation. Now, as I understand it from the hon. Minister for Planning, that idea is still in a state of embryo and, according to him "funds should be found for an Industrial Development Corpora-

tion which had been proposed by the Minister for Commerce and Industry. The question of assisting States in starting State Finance Corporations of their own in accordance with the legislations since 1951 was also under consideration." Now, this is a most brilliant answer that has been given by the Minister for Planning and Development. Who does not know that an Industrial Development Corporation requires funds, and if we are told that funds should be found for this body what is the significant contribution to knowledge that is made by such a statement?

An Hon. Member: But that is not intention.

Dr. Krishnaswami: The other idea, *viz.*, that Industrial Finance Corporations should be started in different States where they have not been started, need not be stated after a very elaborate discussion with the National Development Council and various other people who have met to discuss the question of a finance corporation. One wonders whether the time has not arrived, in addition to revising these plans relating to employment, for a reformation of the Planning Commission altogether. I suggest that the Planning Commission is the most hard-worked body and has taken upon itself far too many tasks for it to solve satisfactorily. A few have taken upon themselves tasks too heavy to be borne by them. The trouble is that these few over-worked as they are, do not want to take decisions which might turn out to be wrong, therefore, events are allowed to pursue them instead of events being mastered by them. And this is the principal reason for their having met each problem with an *ad hoc* solution The difficulty which we find in all such administrative bodies is that, if they are over-worked, they are not able to come to any proper decision on basic issues.

The Planning Commission, as envisaged by some amongst us should be a Commission which should be concerned only with formulations of policies. Policies may be formulated by the few here at the Centre. A review of these policies must be undertaken by another body with agencies in the different States. The National Development Council is no substitute for a review body. A review body which is permanent in character, which is able to review these schemes will be in a position to give new ideas to the Planning Commission as to how far the Plan should be revised, what new steps should be taken, and what changes in policies should be made. We must remember that we are proceeding on the basis of trial and error, and we have adopted great objectives for the purpose of improving the standard of living of our people. I suggest, therefore that there ought to be an entire reformation of the Planning Commission and that there ought to be more dispersal of responsibility among different agencies within this country. I suggest that if we are taking up this problem of solving unemployment seriously on a large scale we ought to tackle this problem not merely from the economic standpoint, but also from the administrative angle. All that I wish to suggest is that we should start tackling these problems in a practical spirit and tackle them in a manner satisfactory to millions of our country men.

Shri Gadgil: I am glad to note that the Government amendment is what is necessary in the circumstances of the case. The Amendment states that the Government is greatly concerned over the growing unemployment and is going to take such steps by way of revising the Five Year Plan, and—what is far more important—it will take immediately such measures as are necessary for the purpose.

Shri Damodara Menon (Kozhikode): May I know whether Mr. Gadgil has spoken on this Resolution before?

Shri Gadgil: Well, Gadgil has been a Member of this House for the last

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18 years and knows the procedure much more than most of you. I have not spoken. (*Interruption.*) Is there anything that you want me to answer? I have not spoken, and you can take it that I will never act improperly.

My friend, Mr. Deshmukh, gave a number of facts and figures and, putting his case not in an exaggerated manner, stated that anyway the situation was not worsening. I slightly beg to differ from him. For, I do not find from the figures printed that employment has increased very much, or in any effective manner, I do not refer, for the time being, to the fact that every day young men are coming into that age group where they require employment. But from the contacts one gets from one's constituency one finds that unemployment is growing much more rapidly.

Very recently, the Government of Bombay axed about one thousand staff from the Rationing Department, and in spite of their promise they were not able to give re-employment for more than 50 people. Another 3,000 are going to be axed by the first of the next month; another 5,000 by the end of May, 1954.

Here, I have got a typical letter where an old pensioner complains that his pension is only Rs. 30/- and that he expected so much from the Committee over which I had the honour to preside, and he condemns me for doing nothing for them. He says one of his sons is unemployed for the last two years though he has secured a high second class in B. Sc. Two of his sons are being axed in about a few days time, and he does not know what to do, how to keep going.

Shri R. K. Chaudhuri (Gauhati): There are numerous cases like that.

Shri Gadgil: Another letter I have got in which the writer says that he is actually living on a few ornaments still left with him, and he does not know what to do next week. All evidence that one can get right at close quarters when one visits one's constituency goes to show that the position is worsening. But, I do not want to join issue that. What I am concerned with is what is being immediately done, what measures are being immediately initiated so as to provide employment.

I am not going into the academic aspect. I am not concerned with under-employment in the rural areas or seasonal unemployment here and there, but the unemployment in the Cities and partly in rural areas is so great and menacing that if something is not done immediately, or if something is postponed to be done after the result of the statistics and analysis and interpretation of them, I think we will be over-taken by a crisis the like of which this country has not seen in the past. What I am submitting is that there may be long term solutions, such as decreasing the rate of increase of population, or some change in our import policy, but this is not the occasion to refer to any one of them. The present occasion demands that something must be done immediately on an adequate scale.

Shri S. S. More: What is your concrete programme?

Shri Gadgil: An English economist has said that it is much better to dig holes and fill them by the unemployed, than to keep them unemployed throughout. This does not mean that I am suggesting that you employ all the people to dig holes and fill them. But surely something can be done on lines which were adopted in the 'New Deal' in 1932, when the United States of America had to meet a crisis of this character. I may point out just one instance, in which about 25 lakhs of people were employed, *viz.* the Cevil Conservation Corps. Something of that kind

can be done in our country also. If you take up a simple programme of having roads in the rural or suburban areas, that will give immense employment to the unskilled first, and to some extent to people who may be of the white-collared type. That was some relief can be made immediately available to them. Shri C. D. Deshmukh was good enough to tell us that so far as the foreign exchange position is concerned, it is satisfactory. He also stated that a certain amount, taking all factors into consideration, was enough to meet all sorts of contingencies. I accept that Deshmukhian caution, but I would most respectfully urge him to utilise what is over and above that line, by way of investment in this country. The way by which it can be done is, surely, within his knowledge and competence.

As I understand, there would not be lack of funds for initiating new measures which will give employment. I am very much encouraged by that. We have the money here, and we have the men here. Let us establish a nexus between them through proper and adequate employment, so that what we find threatening today may be turned to very good account. If people with talent and abilities are to rot, it is not only a loss to them, but to the country as well, because their talent, craft, and skill are completely immobilised. If this state of things continues, the men concerned lose the initiative, and cheerfulness.

The original Resolution suggests that doles should be given to them. I do not like the idea of doles. It is contrary to one's self-respect. If I were unemployed today—I am not fortunately—I would rather sweep the streets or do . whatever work Government gives me, though it may not be in the fitness of things, so far as my other abilities are concerned. I would therefore request Government not to insist that every clerk will do the job of a clerk only. People understand that these are abnormal times, and so Government will be justified in taking abnormal measures as well. Government can say, here is unemployment, either you accept this or reject this, if you accept it well and good, if you reject it, then Government are completely absolved of their obligations, though they are moral obligations to-day. But if we work out the full implications of the idea that our State is a welfare State, then that obligation should be statutory. I am not pleading that it should be considered statutory here and now. I am satisfied if Government accept it—and they have in a way accepted that it is a moral obligation on their part. I would therefore suggest that a list of the unemployed people should be drawn up, wherever possible, and for that I would suggest that the ration shops should be utilised for this purpose. Every card-holder should be asked—there could be an additional column in the ration card, and that will save money also for Government—to state whether he or she is employed, whether any one in his or her family is without employment or with part employment, and so on. Here is a good machinery which you can utilise. Why are you completely disintegrating it, and dismissing it? If a sample survey is made, it remains only a sample survey. But here is a machinery which will give you hundred per cent. correct figures, and give a complete picture from which you will be able to know how to meet the situation.

Incidentally, I must state that I have received a number of letters in which young men say that they are able, they are graduates, distinguished in arts and science, but if they do not get employment before the statutory age limit for entering into Government service, and have to wait for a year or two, they will be nowhere, because younger people will be coming, and their chances will be completely ousted by those of these younger people. I would suggest that in this particular respect, Government should modify the rule, because

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if they are not able to get any employment, it is no fault of theirs. Government may take note of this suggestion of mine and consider it.

So far as the public sector is concerned, the hon. Finance Minister assures us that there is enough finance. So far as the private sector is concerned, may I suggest that Government should think ten times before agreeing to this Development Finance Corporation? If Government are going to lend to the private sector, why not they start the factories themselves? We know what it means. I have no great admiration for the mixed economy.

Shri C. D. Deshmukh: The idea is for Government to start factories which the private sector is for the moment reluctant to start.

Shri Gadgil: If that is so, then I would request that there be greater control and regulation of the whole thing. I would not stop with this, but I shall go further and request Government to consider a definite proposal which I shall put before the House presently.

There is control over capital issues; there is control over prices; there is also control over production; why not Government undertake control over employment in each and every factory? Today anybody can be appointed and if the labour union people are not strong enough, any one can be retrenched, and according to the new ordinance, with some compensation here and there. But if Government's ultimate object is to evolve an economy in which they will have a full control, so as to effectuate completely a policy of full employment in the country, then the private sector should not be left alone to manage with their personnel in the way in which they are doing at present. The entry and exist of every one that enters any private employment should be regulated by Government so that there will be no provincial or caste discrimination. Today we find that anybody can be employed, and most of those that have relatives find a job much quicker than others, irrespective of their accomplishments.

If private sector is to function within the framework of your mixed economy, and today we want them to help us, I would make one other suggestion. Assure all companies with an authorised capital up to Rs. 1 lakh, and a working capital up to Rs. 5 or 10 lakhs, that for another five years, they will be exempt from income-tax. You have already given them some concession, I know, in the matter of dividend declaration and so on. But consider this. Just as some preferences are given to co-operative societies, if you show some preference to companies registered under the Joint Stock Companies Act, by saying that they will be free from payment of income-tax, for the next five years, I feel that some response will be there, and each company will mean employment to at least a hundred people. This is something which can be done immediately. Secondly, I find that there is no customer...

Mr. Chairman: The hon. Member may conclude now.

Shri Gadgil: One minute more and I have done.

There is no customer for products of the cottage industries. I have made a suggestion elsewhere and I make that suggestion for whatever it is worth, that every employee in the Government, semi-Government departments and organised industries instead of being given full pay in the current currency should be given 95 per cent. pay and for the 5 per cent. should be given coupons or credit notes. These coupons or credit notes should not be legal tender, but should be valid or legal tender—if you want to call it—for purposes of buying articles from cottage industry emporia or cooperative stores or departmental stores or such organisations as the Government may like to build up. Then people will be forced to buy these

things. They will go to khadi shops and buy khadi because these coupons will not be valid with another cloth merchant. It does entail some sort of sacrifice. It really means a development tax. It is not going to affect your currency any the least. Of course, it is not a new idea. I do not claim novelty for it. It has been suggested by many economists and, as far as I know, it has been tried in some places. But here it may be called an abnormal remedy. But when the situation is abnormal, it is for Government to consider whether remedies should not be equally abnormal. Somehow or other we must get through this difficulty and I have not the slightest doubt that, given the necessary wisdom and caution, which has been already in evidence, and a little more vigour, more action than theorising, we shall get through this.

Shri Meghnad Saha (Calcutta—North-West): The hon. the Finance Minister has described a very horrid situation in his usual placid and suave manner and he has taken away much of the sting of that situation by his speech. But we are not at all satisfied. It is said that we have got a Welfare State. The duty of every Welfare State is to secure the fullest employment; not only the fullest employment, but also a better standard of living. Now, many of my colleagues have already said that the unemployment position is very bad in this country. They have not referred to the standard of living at all. The standard of living has fallen very much since the war. Our present standard of living is much lower for the common man than before the war. What has been the result of the last three years of planning? I wish the Finance Minister would kindly tell us the findings of the National Income Inquiry Committee—whether there has been any improvement whatsoever. As far as my information goes, there has been no improvement whatsoever. There has been a slight fall in the standard of living—I speak subject to correction—since 1950. So the hope of the Finance Minister and the Government that as a result of the Five Year Plan we shall increase our national income by 1000 crores of rupees appears to be more or less a day dream, and that shows that the planning which has been devised is very faulty. The Finance Minister has told us about one of the main causes of failure, that is, smallness of investment. We must have more investment. I quite agree with that. But the amount of investment which he proposes is very meagre, as I have already pointed out to him in a private pamphlet. The difficulty with this plan is that there is no financial plan; there is no cash plan; there is no credit plan. Under the slogan of mixed economy, we have allowed everybody to play havoc with our finances. The Finance Minister has already told us that the private sector has hardly invested one half the amount which was expected of it. I might ask him whether he inquired why they have not invested. It is not because the private sector has not the surplus, but they find it more profitable to invest in real estates—in gold, luxuries and so on. And recently it has been investing in buying foreign concerns. In this country, the total amount of foreign capital is Rs. 610 crores and many of the very famous firms, Indian firms in Calcutta, are busy investing their surplus not in fresh avenues of work or industry but in buying foreign concerns which are already there. I think about a hundred crores of rupees—it may be more—have been exported out of the country in this manner. Now, is it not a very paradoxical situation? The Government is asking that foreigners should come and invest in this country, but what is actually happening? We are encouraging all the Indian industrialist bankers and so on to invest their money in the purchase of all those foreign concerns. Many of the famous European concerns in Calcutta have changed hands and all that money is going out of this country. Instead of attracting foreign capital we are allowing the foreign capital already invested to be exported out of the

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country. I think this ought to be stopped, because it is the first duty of the Indian industrialist who makes money from his own trade, from his industry, to invest the surplus in the expansion of his industry, so that more avenues of employment are created.

I would give an example. There is a very famous firm—I would not mention their name. They are probably the biggest Indian firm in this country. Now, they have bought two or three European concerns in Calcutta and they have spent about 30 to 40 crores of rupees in this business.

They have got all this money out of their industry. Unfortunately, they have not taken care to provide for sufficient depreciation funds, with the result that the Government caught them in the act of diminishing their production, and asked them to enhance their production. How was this situation created? They have made enormous profits in the last 25 years, more during the war and they say they have not provided sufficiently for depreciation, and allowed their machinery of production to run to obsolescence. They now say they have not the money for renovation of their machinery to full production, and the Government must help them with funds, and the benevolent Government has given them funds though they are aware that they have surplus enough to purchase European concerns. The ultimate result has been the flight of about 100 crores of rupees of foreign capital out of this country. This is the result of mixed economy. Under the slogan of mixed economy, our Planning Commission have found a method of not applying their brains to the real question of industrialisation, which alone can increase the wealth of this country. As a matter of fact, the Planning Commission has no plan for industrialisation whatsoever. They have left everything to mixed economy and mixed economy is behaving in the manner I have just described. What has been the result? Just five years ago, the Government decided that there was great need for iron and steel in this country and they invited 3 famous consultant firms, Americans and English, to advise them. They submitted their reports and the Government issued a statement that in 3 months they were going to take action on these reports. Five years have passed and no action has been taken and only now we hear that an Iron and Steel Plant will be installed. I would ask the members on the Treasury Benches to explain this 5 years' inertia and how much it has cost to the country in not having an Iron and Steel plant all these 5 years. I have calculated the loss at 500 crores of rupees and I have placed my figures before the public.

Now, Sir, we have got a bulky report about the Industrial programme issued by the Planning Commission. But neither has this body recommended nor has the Government assigned priorities in our industries. As a result many of the consumer industries are in a state of collapse because we have no capital goods industry to feed them with raw materails. Let me give you some quotation from this report:

> "Of the various problems confronting these industries for the protected consumer industries, perhaps the most serious and certainly the most universal is the shortage and high price of raw materials. The largest industry of all, the Iron and Steel Industry suffers no doubt from lack of capacity and not from lack of raw materials. But the relative smallness of its output embarrasses the whole series of other industries for which iron and steel are raw materials."

Then it goes on saying that:

> "The mechanical engineering industry is suffering, the railway rolling stock industry is suffering, the automobile industry cannot flourish, wagons cannot be manu-

factured, passenger coaches cannot be manufactured, and all for want of iron and steel."

Is not this a very tragic situation? The Government has established a ship-building yard at Vishakhapatnam, Waltair. Their schedule is to produce 3 ships in the year and they cannot keep to the schedule. A large number of workers there were served with notices of dismissal because they cannot give any work. Now, by chance I once travelled with some of their chief men and they said that the cause of this unemployment was that they had no iron and steel. They require 8000 tons of iron and steel to produce 3 ships in the year and for 6 months they were trying to get this steel from the Steel Controller. After 6 months they were told to get it from Japan. Now, is it not a matter of shame that in a commodity in which India has got the best possibilities which no country in the world has got,—for not even the United States or Soviet Russia can develop a better iron and steel industry than this country—we are not able to have a plant all these five years. All our consumer industries are collapsing on that account.

Sir, my submission is that you must give the present Plan a decent burial; it is not a plan; it is a muddle. You must start it on a new basis. This mixed economy is no economy at all.

Sir, I would not take more of the time; only one minute more.

It reminds me—of the way we are doing things,—of the plan which the Britishers had during the Crimean War. The soldiers wanted foot-wear; they were suffering for want of it and they were ordered from the home country. But, when they arrived, they found all the foot-wear were of the left feet; and so the soldiers went without shoes and had to be confined to barracks. Our Plan is something like that. They think only in one direction; they cannot see the other side of the thing and therefore most of the Plan has become a muddle.

Shri U. C. Patnaik (Ghumsur): The hon. Minister for Finance, who is also closely associated with the Planning has moved an amendment. It is gratifying to learn that at least after two years or 2½ years of the Plan, the Government has become alive to the necessity of having the Plan revised so as to solve the growing problem of unemployment. It is indeed gratifying, Sir, to learn that the seriousness of the problem has been realised and from the figures that have been quoted, indeed, attempts are being made to solve the problem. But, by the amendments that I have sought to move, Sir, I want to request the Government to approach the problem not from a negative aspect but from a positive aspect. The problem of unemployment, Sir, has also got to be considered from the viewpoint of man-power mobilisation. Unemployment is after all another aspect of a huge man-power problem which is not being utilised or employed. Of all the resources of the country, Sir, for both industrial, agricultural and other development activity, the man-power resources are the most important. The vital importance of a Labour Force has to be recognised and it has to be utilised not from a negative point of view to solve the problem of unemployment or some other problem which is confronting the Government and which has challenged solution, but it has to be recognised as a sort of an opportunity for Government to organise its labour forces to mobilise and control the same and to utilise them for national development on the one hand and for national defence on the other. This problem, Sir, has been tackled by every country since about 1917 when Man-Power Mobilisation Boards and Human Resources Organisation Boards were formed, in order to tabulate man-power into different categories, into those who are useful for civilian industries, for civilian service, for defence industries and for defence services as also the class of unemployables.

Then, thirdly, these people have got to be properly absorbed. For these

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three important things, namely, man-power training, man-power mobilisation and utilisation of man-power for absorption in respective industries, trades and services, has always been considered to be a very important problem and every country has been trying to solve it in its own way. It is rather unfortunate, Sir, that till now the problem of man-power mobilisation and man-power organisation has not been appealing to our planners and they have been thinking in terms of spending money in various ways hoping that it would ensure to the benefit of man-power. Therefore, Sir, after nearly 2½ years of planning they have come to realise that it is essential to think in terms of planning for the employable unemployed. In this connection, Sir, I would just point out to the hon. Minister of Planning that other countries have been attempting to solve this problem not as a negative one, not as solving the problem of unemployment, but as a positive dynamic problem, for building up their man-power and for planned utilisation of their man-power for national development and national defence. Every country—every advanced country—has been doing the same thing for the last forty or fifty years, as for example, in the U.S.S.R. there is the oldest standing committee—the Council of Labour and Defence—constituted in 1923 and the labour force is very carefully planned and organised, excluding those who are engaged in production or in services and they are distributed for different work. There also the Army service is for 2 years, Navy service is for 3 years and the Air Force service is for about 5 years, during which period the personnel get training for subsequent absorption in civil life and they are actually absorbed in civil life. Similarly in other countries, *e.g.* U.K. and U.S.A., after the Selective Services Act of 1917, which provided for the registration of personnel between 17 and 30 or 36 years—which was again modified under the National Security and National Services Acts of 1947—Boards were constituted for man-power organisation or for labour organisation, and these Boards were constituted with civilian personnel who knew something of civil as well as defence organisation, so that the man-power could be properly recruited, mobilised and trained for various nation building purposes. I must also point out that Australia did not believe in this kind of man-power mobilisation, but even she was forced to accept it in 1939. Now they have got a Director of Man Power Organisation who has a Man Power Directorate and it is closely linked with the services, civil military, as well as industries, civil and military. Here in our country, Sir, in this planning, an important part of our national life, that which costs 55 per cent. of our national expenditure, has been totally excluded from the purview of our defence planning, so that we have got a plan which does not take into consideration all our national activities, which does not take into consideration the main problem of man-power and which does not try at least to find out as other countries have done in this direction as to how far those experiments should be tried in this country. The unsatisfactory nature of our planning is proved by the fact that the hon. Minister of Finance has now come forward with his amendment that the Plan should be changed so as to provide for the unemployed. It is absolutely necessary that all our national activities should be integrated and co-ordinated to ensure that planning is on proper lines and that our man-power is being properly planned for and absorbed in different walks of life. Not only that. There is another reason why I am suggesting or urging this point. It is not merely necessary as a positive programme, as a dynamic programme, for providing for our man-power and for absorbing them in different walks of life, but also absolutely necessary from the point of view of money because it can be pointed out that it is only by integrating these two things and by our

planners trying to know something of that subject that economy can be effected and more money would be available.

I could give you straightaway one or two examples. I do not want economy in the Defence Services, i.e. in the Defence Services it is absolutely necessary that the personnel should be there and there should be no economy as far as their pay and allowances are concerned. Probably the hon. Minister of Planning would be pleased to note that the bulk of Defence expenditure is going in other directions, not merely on personnel but on purchases from foreign countries, on the Military Engineering Services and so on.

By proper economy in some of these items we could save several crores every year for various other purposes. I would like to point out about our purchases in foreign countries—I am referring to the last report of the Indian Stores Department in the U.K., which is being maintained by the Government of India—and that report says about the Defence purchases that the Indian Defence Authorities are placing indents on U.K. for articles which were being produced in India during war and which could be produced in India now. This is the report of our purchasing mission in London and I hope, Sir, that Parliament will take note of this fact that we are placing indents with U.K. and other countries for articles which could be manufactured in this country and which were, in fact, being manufactured here.

Shri D. C. Sharma: Mr. Chairman, the population of India is about 36 crores. I would ask the hon. Member to say how much he would allocate to man-power out of this.

Shri U. C. Patnaik: I was referring to the subject from two points of view. By increasing our output in the Defence industries which consist of a number of factories; and you read in the papers that several of them are now locked out and other things are going on at other places also—and secondly by utilising the idle capacity of our factories, we could save a lot of money which is going to foreign countries. Our minimum purchase from out side amounts to several crores. Our Defence Services' pay and allowances come to only Rs. 70 crores out of the Rs. 235 crores. So the bulk of the expenditure is on other things and I am just pointing out to hon. Members that it is quite possible to economise in that respect as well as in various other respects.

Without going into further detail, I would also point out another Branch where economy can be effected, for instance, the Military Engineering Services, which are spending every year Rs. 30 to 40 crores or even more. Works are being done through contractors, whereas in many other countries works are being done through departmental organised military corps. These works perhaps include items now proposed, *e.g.*, the shifting of the Headquarters of Eastern Command from Ranchi to Lucknow or the Headquarters of Western Command from Delhi to Simla, which would involve huge expenditure in crores of rupees. This could be revised and screened in time so that economy can be effected. There are many other items like this which require scrutiny instead of being kept as Defence Secrets.

As time is up, I will not continue. I can only conclude by saying that many of our problems should be tackled not by making solitary attempts this way or that, but by making a positive, constructive approach to try and solve all our problems, by integrating all our national activities and treating problems like unemployment and other disasters not merely as calamities to be helped by spoonfeeding, but we should have a positive approach by trying to solve our various socio-economic problems as well as Defence problems by integrat-

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ing both the wings of national activities together

Shri S. N. Das (Darbhanga Central): I want to move for closure as the subject has been sufficiently discussed by the House.

Shri S. S. More: No, Sir.

Shri Karni Singhji (Bikaner Churu): I have been waiting the last three months, Sir, to get a chance to speak.

Shri P. N. Rajabhoj (Sholapur—Reserved—Sch. Castes): Will you please allow me also to speak? So far only Maharajas and rich people have spoken, but why should rich people only be allowed to speak on this matter. I would like to request you,—Sir, because I come from the minority Community and I am the real sufferer more than my friend—to give me a chance to speak on this matter.

Mr. Chairman: The Chair does not make any distinction between a Maharaja and any other member. I realise the hon. member belongs to the backward classes: he will get a chance if the debate is not closed.

Shri S. S. More: We had agreed not to close the debate; you were not perhaps here in the House.

Mr. Chairman: I was here, but not in the Chair.

Shri S. S. More: We had a lot of discussion when the Deputy Speaker was in the Chair and the unanimous desire of the House was that the debate should go on. Mr. Nanda has yet to make his contributions to the debate.

Mr. Chairman: What does the Planning Minister say.

Shri Nanda: That is a matter for the House itself to decide: you may obtain the sense of the House in the matter.

Shri H. N. Mukerjee: May I point out, Sir, that it was originally at my suggestion.....

Mr. Chairman: I am sorry, in view of the general feeling in the House and what has been stated earlier, I would not like to accept the motion for closure.

Shri Karni Singhji: I have been longing to speak on this Resolution for a long time and I am happy to have this opportunity of expressing my views. I do not claim myself to be a great economist: but certain problems that concern Part B States and the State of Rajastan in particular, which I am representing, should be placed before the House for the consideration of hon. members. More eminent people have already spoken on this subject: therefore, I shall not waste the time of the House by dwelling mainly on the economic aspect, but rather, I shall try and confine myself to the unemployment caused due to the process of integration.

In Rajasthan, Sir—and I am sure that is the same with all Part B States, or at least with most of them—unemployment can be divided into two sections: firstly "the all-India type" on which very eminent people have already spoken, and secondly what I would term as the "man-made type", unemployment caused because integration, when it was put through, was done without a proper plan and a large number of people as a result of this had to be retrenched and these States were not in a position to find alternative employment for them.

At the outset I would like to say that I have all along been one of the ardent supporters of the system of integration and a great admirer of that great man Sardar Patel. It is our misfortune that that great man is not amongst us today; if only he had been with us, many of the problems of the Part B States, I am sure, would not have arisen. I am sure, Sir, that if the late Sardar had known that things were going to turn out this way and

so many thousands and thousands of poor people were going to be affected adversely, he would have taken steps in time to see that such chaotic conditions did not occur.

Today, Sir, is the fifth year after the integration of the State of Rajasthan. In these five years, the Rajasthan Government, I am afraid, have proved themselves totally incompetent to deal with the unemployment problem. Although most of the Ministers are my friends, I must say that they have proved themselves totally incompetent to deal with the unemployment situation. Not one large scale industry, or even a small scale industry to speak of has been located in the right place where unemployment is the acutest. We have all been trying to shout ourselves hoarse; but nothing has been done.

Now, Sir, in my humble opinion, some of the factors that have caused unemployment in Part B States and Rajasthan in particular, are as follows:—

1. The large scale retrenchment carried out in the armed forces. We reckon that in Rajasthan alone 14,000 to 17,000 people have been thrown out of employment. Granted that the Central Government is trying to do something, but I am afraid, as far as the Government of Rajasthan is concerned, very little has been done to rehabilitate them.

2. In the Electrical Department of Rajasthan—I stand to correction about figures, it may be more—not less than 5,000 people have been thrown out of jobs. It was only the other day that a batch of 350 people came to see me—and they told me they had been served with a month's notice after which they would be disbanded. They asked me if I could do something. I was very much distressed. The matter was put up before the administration and for some time at least, I am happy to say they were able to withhold the order of retrenchment. But these people are still in danger of being disbanded—350 people in Bikaner City alone: in Rajasthan the number will be ten times that.

Now, Sir, another factor which I feel has not been fully understood is that integration in itself was an excellent scheme. But one thing which people must realise is that when integration was brought in it meant the fusing of a large number of the administrations. That was all right. But you could not fuse all the cities. One city became the capital and the other went into decadence. Progress in all the cities, if you will study the curves on a graph, had been going on up and up, and up until 1949. Thereafter you find a tendency for the curve of progress to come down. If we call ourselves a progressive welfare State we must see that each and every city of our country, whether it be in the deserts of Rajasthan, or in the fertile Gangetic plains, must come up and progress and develop fully. Nobody minds if the capital city gets twice as much as the others. But a square deal which the people of other cities expect cannot be denied. The voice of the people who come from the other parts of Rajasthan will have to be heard, if not today some day, —of that I am sure.

Now just to illustrate this, I shall give the House an example again from my home town. Before integration the former state of Bikaner had a Town Planning scheme of approximately Rs. 3 crores. Out of these Rs. 3 crores on a rough guess, Rs. 1½ crores would have been spent on materials and Rs. 1½ crores would have been spent on labour. A thousand new houses were to have been built. The day integration came all the lands once purchased by people were sold back to Government and only three houses have come up in these four or five years. I would like to know what is going to happen to people who were going to build the 997 houses? This is one part of the economy upset which I feel has to be taken into account. The Gadgil Committee I am sure is trying to do their best to see that the erstwhile capital cities of Part B States are

[Shri Karni Singhji]

given their due share and I would like the Government of India to consider this matter seriously and do something constructive immediately.

On a rough but moderate guess the total number of unemployed in Rajasthan—it is rather difficult to assess the correct number—is anything from 50,000 to 100,000 or even more. Here again it is rather difficult to get the exact figures. I am sure the Government of India will be in a better position to collect these figures. Now, Sir, I would like to suggest in my humble way a few remedies. First and foremost, there should be a committee appointed by the Centre,—because the people of Rajasthan are now beginning to look up to the Centre for everything, as they have lost quite a deal of confidence in their own Government—that a commission of enquiry or committee be instituted which would go into the question of assessing the number of people unemployed in Rajasthan due to the process of integration—directly, due to retrenchments, and indirectly due to the decadence of the erstwhile capital cities which were once flourishing and which are now going down rapidly.

Secondly, all the cash balances that all these units of Rajasthan have contributed should be divided on a population—and contribution—wise basis for sponsoring and locating industries at the right places and the adopting of other methods whereby the maximum number of people could be employed.

Thirdly, the power of indiscriminately retrenching a large number of people should be taken away from the Rajasthan Government and it should be under the Centre to control the retrenchments of the poor people.

Fourthly, the irrigation projects which the Central Government is so well sponsoring and in which the Government of Rajasthan have also a share must be guided and controlled by the Centre more strictly so that the case of the units of the Union of Rajasthan does not go by default.

Fifthly, hydro-electricity must go to all the cities wherever it is possible, so that in spite of the decadence that they are suffering from, they will be able to attract industries which will automatically come and surround the hydro-electric areas.

Sixthly, the income that the Government of India derives from the estate duty should be exclusively set aside for unemployment relief. This way you will justify to the country that you are taking the money from the 'haves' and giving it to the 'have-nots'.

Shri C. D. Deshmukh: The Government of India is not going to derive any income from this.

Shri S. S. More: But you can regulate.

Shri Karni Singhji: Yes, you can regulate it.

Then, in the Railways, at least for the next five years, local labour must be employed. In Rajasthan there were three or four little railway systems which about two years ago were integrated into the Northern Railway. I am sure the Northern Railway is working very well. But so far as appointments on the Railways in this area are concerned, quite often people from the East are recruited. The result of this is that the man from Rajasthan loses a job while the other man feels most uncomfortable going there. So for the next five years the local people should be given a chance. Thereafter, the integration is there and things can find their own level.

And there is another point which is most important. Ministerial changes and reshuffles in Rajasthan have become a joke. We have already had about half a dozen changes and reshuffles and will be putting the French Ministry to shame.

Then there are certain Central grants that the Centre has decided to give to Rajasthan but which, I understand, the Centre is a bit hesitant

in handing over to the Ministry because they might be squandered. I wish that this money is spent under your direct supervision.

Shri C. D. Deshmukh: 'You' means the Chair?

Shri S. S. More: Through him, you.

Shri Karai Singhji: At least let the labour get the money.

In conclusion I would like to say that let us see that the good work that the late Sardar Patel did by integrating and changing the map of India, is not upset by our inactivity and lack of planning.

श्री पी० एन० राज भोज (शोलापुर—रक्षित—अनुसूचित जातियां) : यहां बिकानेर महाराजा साहब ने और काका गाडगिल साहब ने अभी भाषण दिया । लेकिन यह तो हाई क्लास के लोग हैं । हमारे देशमुख साहब जो कि हमारे फाइनेन्स मिनिस्टर हैं वह भी हाई क्लास के हैं । यह गरीब फैमिली से नहीं हैं । इस लिये मैं भी अपने सुझाव अनएम्पलायमेंट के बारे में रखना चाहता हूं । मैं उन से कहना चाहता हूं कि यह इस देश का बहुत बड़ा प्राबलम है । और यह प्राबलम तभी ठीक से हल होगा जब कि जो जमीन देश के राजा महाराजाओं के पास है और जमीदारों के पास है उसका गरीबों में ठीक से बटवारा हो जायेगा । जो लोग देहात के गरीब हैं और जिनके पास खाना और कपड़ा नहीं है उनको ठीक तरह से यह जमीन बंटनी चाहिए। जो भूदान यज्ञ हो रहा है , मेरा ख्याल है कि उससे तो कुछ देश का कल्याण होने वाला नहीं है । यह तो कांग्रेस का प्रोपेगेंडा बढ़ाने के लिये एक स्कीम है । इसी वास्ते, चेयरमैन साहब , मैं कहना चाहता हूं कि जमीन का बटवारा होना चाहिए और ठीक तरह से होना चाहिए और वह जमीन गरीबों को मिलनी चाहिए । जो सच्चे गरीब हैं उनको मिलनी चाहिए । कभी कभी ऐसा कहा जाता है कि यह गलत बात है कि यह जमीन उनको मिलनी चाहिए जिनके पास न हल है और न बैल है । यह जमीन उन लोगों को नहीं मिलनी चाहिए जो कि सच्चे गरीब नहीं है । अभी हम लोगों ने हैदराबाद में सत्याग्रह किया, १७०० आदमी जेल गये । उनको जमीन नहीं मिलती है । जो मिलती भी है वह गाय चराने के नाम से और दूसरे ढंग से वापस ले ली जाती है । गवर्नमेंट का भी काम ऐसा चलता है अन्धा पीसता है और कुत्ता आटा खाता है । हर एक स्टेट में आपस में यूनीफारमिटी नहीं है ।

हैदराबाद में अलग है, राजस्थान में अलग है और पंजाब में अलग है । अभी तक जो जमीन का सवाल है वह ठीक तरह से हल नहीं हुआ है । यह बेकारी का सवाल तब तक हल नहीं होगा जब तक कि गरीबों के आर्थिक सवाल को ठीक तरह से हल नहीं किया जाता । लोगों ने मध्यम वर्ग के अनएम्पलायमेंट का जिक्र किया है और कहा है कि उनको नौकरी मिलनी चाहिए और उनके लिये टीचर्स की एक योजना बनाई है जिसमें दस हजार टीचर्स रखे जायेंगे । मैं भी कहता हूं कि मध्यम वर्ग को एम्पलायमेंट देनी चाहिए लेकिन जो उनसे भी श्रमजीवी और गिरे हुए लोग हैं उनके लिये कोई कुछ नहीं बोलता है । काका साहब गाडगिल तो फिलासफी की बात करते हैं । वह गरीबों में से नहीं हैं । वह तो बड़ी बड़ी जगहों में बोलते हैं । उनको क्या मालूम कि अछूतों की बस्ती में क्या हो रहा है । न उनको यह मालूम कि अछूतों को क्या क्या देहातों में तकलीफें हो रहीं हैं । एक हमारे खंडू भाई देसाई हैं जो कि अछूतों के लिये कहते हैं, पर मैं उनकी भी एक गलती बताता हूं । उनके राष्ट्रीय ट्रेड यूनीयन

[श्री पी० एन० राज भोज]

कांग्रेस में यह है कि यह अछूत किस पार्टी का है, अम्बेडकर पार्टी का है या कम्युनिस्ट पार्टी का है। जो उनकी पार्टी का होता है उसको नौकरी दी जाती है औरों को नहीं इस तरह का भेद भाव है। अभी गवर्नमेंट आफ इंडिया में बड़े बड़े आफिसर अगर कोई मदरासी आ जाता है तो वह मदरासियों को रखता है, कोई पंजाबी आ जाता है तो वह ज्यादा पंजाबियों को रखता है। तो यह जो जातीय और प्रान्तीय भेद भाव है यह बहुत खराब है। इस को भी मर्ट करने की कोशिश करनी चाहिए। जब तक यह रहेगा तब तक देश की बेकारी का सवाल हल नहीं होगा। एम्पलायमेंट एक्सचेंज में जाइये वहां भी यही बात है। एक रिजोल्यूशन हमारे लिये रखा गया है मगर एम्पलायमेंट एक्सचेंज में भी बड़े बड़े अफसर हैं। वह दलित भाइयों को कहते हैं कि तुम्हारी क्वालीफिकेशन ठीक नहीं है तुम्हारी टाइपिंग में स्पीड ठीक नहीं है। गवर्नमेंट ने जो मिनिमम क्वालीफिकेशन रखी है उस पर नहीं लेते हैं। कहते ह कि यू० पी० एस० कमिशन के द्वारा पांच वर्ष का एक्सपीरिएंस होना चाहिये दस वर्ष का एक्सपीरिएंस होना चाहिए। हम में ऐसे आदमी नहीं मिलते हैं, इस लिये उनको नहीं लेते हैं। जहां जहां कमीशन हैं वहां वहां इस वक्त यही सवाल पैदा हो रहा है। जब हम कुछ कहते हैं तो यह कहा जाता है कि आप हमेशा शिड्यूल्ड कास्ट का ही सवाल ले आते हैं। देश में ये लोग ६ करोड़ हैं जो कि गिरे हुए हैं और गुलाम हैं। इन के लिय रिजोल्यूशन पास किये जाते हैं लेकिन अमल में नहीं लिये जाते। बहुत लोग बेकार हैं। कुछ को अगर एम्पलायमेंट एक्सचेंज में नौकरी मिल भी जाती है तो इस से क्या काम चल सकता है।

अभी फाइव इयर प्लान चल रहा है। बड़ी बड़ी किताबें लिखी गई हैं और बड़ी बड़ी योजनायें चल रही हैं, लेकिन गरीबों के लिये क्या हो रहा है, जो बैकवर्ड क्लास हैं, जो शिड्यूल्ड कास्ट हैं और जो शिड्यूल्ड ट्राइब हैं उनके लिये क्या हो रहा है। उनके मकानों के लिये, उनकी उन्नति के लिये, उनकी आर्थिक अवस्था सुधारने के लिये क्या स्कीम है। कहा जाता है कि ऐसा हो रहा है, वैसा हो रहा है लेकिन अन्धेर नगरी चौपट राजा का सवाल है। मैं हाउस से प्रार्थना करना चाहता हूं कि वह हमको भी अपनी नौकरी का सवाल उठाने में और पबलिक सरविस कमिशन के मामले में सवाल उठाने में ठीक सहायता दे। यह इस देश की बीमारी है। यह ठीक नहीं है। मुझे हर वक्त यह बात कहना ठीक नहीं मालूम होता पर रोये बिना कोई सुनता ही नहीं है।

श्री भागवत झा (पुर्निया व सन्थाल परगना) : लड़ने से सुनते हैं।

श्री पी० एन० राज भोज : लड़ने का समय आवेगा तो लड़ेंगे भी। जब तक कानून से हल हो सकता है तब तक वैसी कोशिश करते हैं। मैं इस के लिये आप से अपील करना चाहता हूं।

इसके अलावा जो यह छोटी छोटी इंडस्ट्रीज हैं यह कोआपरेटिव बेसिस पर चलनी चाहिए।

वह अभी नहीं चलती हैं। तो जो यह छोटी छोटी इंडस्ट्रीज हैं उनकी एग्जामुल आप को बताता हूं। एक टैनिंग इंडस्ट्री है। जो चमड़ा है वह अभी देश से बाहर जाता है। इसी देश में जो चमड़ा

हैं, उस की ट्रेनिंग इंडस्ट्री खोल कर, फैक्टरी बना कर, क्यों नहीं देश में ही इस का काम आप चलाते हैं। लेदर का सामान विलायत से आप मंगाते हैं। आपने क्या विलायत से मंगाने का ठेका लिया है ? जब आप के देश में ही चीज पैदा होती है और जब आप का देश अब आजाद हो गया है तो इस को बाहर भेजने की क्या आवश्यकता है ? यहां आप फैक्टरी क्यों नहीं खोलते। इस वास्ते जो छोटे छोटे धन्धे हैं और इंडस्ट्रीज हैं, उन को आप को कोआपरेटिव बेसिस से चलाना चाहिए। उस के द्वारा आप छोटे लोगों के आर्थिक जीवन और नौकरी के बारे में बहुत कुछ कर सकते हैं। लेकिन हमारी जो सरकार है वह ज्यादा से ज्यादा कैपिटलिस्ट लोगों को ही सपोर्ट करने वाली है। मैं तो कहता हूं कि आप को राशनिंग आफ हाउसेज और राशनिंग आफ मनी करना चाहिए। जैसे राशनिंग की पद्धति देश में होती है, वैसे ही इसका भी राशनिंग होना चाहिए। अभी महाराजा बीकानेर यहां खड़े थे, उनके पास बहुत पैलेसेज हैं, मकान हैं, बहुत जमीन है, इसी तरह हैदराबाद के नवाब के पास बहुत जमीन है, बहुत मकान हैं, इनका आप राशनिंग करिये। उनको सोने के लिये दो कमरे दे दीजिये। इसी तरह राशनिंग आफ जमीन होना चाहिए जो यहां इस तरह के करोड़पति हैं, जिनके पास इतना रुपया है कि उसे देखने को उनके पास टाइम नहीं है, ऐसे यह हमारे सेठ साहब यहां बैठे हैं, तो इसी तरह से यह राशनिंग आफ हाउसेज, राशनिंग आफ जमीन और साथ ही राशनिंग आफ मनी होना चाहिए। यह तीन प्रकार का राशनिंग आपको करना चाहिए। (interruptions) आप शांति रखें, मुझे तो टाइम बहुत कम है, उस में बहुत कुछ कहना है।

तो इस तरह से इन तीन दृष्टियों से यह आन्दोलन अच्छी तरह से चलाने की आप स्कीम बनाइये। तभी मेरे ख्याल से ठीक तरह से हमारे देश का और हमारे समाज का भला हो सकेगा। जब तक ऐसी परिस्थिति प्राप्त नहीं होती, तब तक वैसे बड़ी बड़ी स्कीमें जो होती हैं, उनके लिये बड़े बड़े लोग बोलते हैं और हम अपोजीशन वाले उसका विरोध करते हैं। आज क्या हो रहा है। यहां के कोने कोने में, मद्रास में, बम्बई में, सब जगह बेकारी है। बहुत सी जगहें हैं जहां जात पांत का सवाल बनाकर हम लोगों को निकाल दिया जाता है। इस लिये इस देश से जब तक हम जात पांत का सवाल नष्ट नहीं करते तब तक ठीक तरह से बेकारी का प्रश्न अच्छी तरह से निबटाना बहुत कठिन है। यहां कहा जाता है कि रिफ्यूजीज के लिये बहुत खर्च होता है। लेकिन हम कहते हैं कि अछूतों के लिये आप जमीन दे दीजिये, मकान दे दीजिये, तो कोई सुनवाई नहीं होती। मैं नहीं कहता कि रिफ्यूजीज के लिये आप खर्च न करें, मैं मानता हूं वे निराश्रित हैं और उनके लिये खर्च करना चाहिए। लेकिन सच्चे निराश्रित तो देश में हम लोग हैं। सच्चे देश के गुलाम तो हम हैं, हम गुलाम के गुलाम बना दिये गये हैं। हमारी बेकारी नष्ट करने के लिये, हमारे आर्थिक सवाल को हल करने के लिये गवर्नमेंट कोई ठोस काम नहीं करती। गवर्नमेंट की कोई स्कीम अमल में नहीं आती है। इसी वास्ते इस बेकारी के सवाल के बारे में मैंने जो कुछ सजेशन्स दिये हैं उनके अनुसार कुछ काम होना चाहिए।

दूसरी बात यह है कि जो आर्डनेन्स डिपो हैं, उन में कई आदमी बेकार हो गये

[श्री पी० एन० राजभोज]

हैं। इधर तो कहते हैं कि बेकारी बन्द होनी चाहिए और दूसरी तरफ अम्बरनाथ की फैक्टरी और पूना देहूरोड, किरकी में लोग बेकार हो रहे हैं। तो इस तरह से बेकारी बढ़ रही है। इधर राशनिंग बन्द होने से बेकारी बढ़ रही है। अभी फूड मिनिस्ट्री ने राशनिंग खत्म करने की कोशिश की वह ठीक है। लेकिन देहात के लोग जो बेकार हैं उनको रोजगारी ठीक तरह से नहीं मिलती। रोजाना का उनका आर्थिक जीवन बड़ी मुश्किल में है। इसी वास्ते थोड़ा सा हम देशमुख साहब से कुछ कहना चाहते हैं। देशमुख साहब बड़े अर्थ शास्त्रज्ञ हैं और उनको सब प्रकार के लोग अपनी हालत बताते हैं। तो हमने भी जो हमारे गिरे हुए और अछूत भाई हैं उन के बारे में हालत बताई और जो कुछ सजेशन्स दिये हैं उन को अमल में लाने के लिये हम को उम्मीद है कि हमारे देशमुख साहब कोशिश करेंगे। हमने जो यह बेकारी का सवाल कहा, पबलिक सरविस कमीशन के बारे में जो अन्याय होता है और जो एम्पलायमेंट एक्सचेंज में ठीक तरह से रजिस्ट्रेशन और रिजर्वेशन नहीं मिलता, इन के बारे में कुछ न कुछ होना चाहिए। यहां देश में कई प्रकार के रोने वाले लोग हैं। हम तो अभी न्याय दृष्टि से कहते हैं, कोई झगड़े की दृष्टि से नहीं। अभी तो हम न्याय में विश्वास करते हैं और अभी तक हमारा दिमाग, हमारी वृत्ति, और हमारी नीति ठीक तरह से चल रही है। लेकिन जब खाने को नहीं मिलेगा, जब हम लोग भूके रहेंगे, जब किसी को जमीन नहीं मिलेगी, जब हमारा सवाल ठीक तरह हल नहीं होगा, तो हमें कुछ न कुछ रास्ता ऐसा अपनाना पड़ेगा कि गवर्नमेंट को जरूर ध्यान देना पड़ेगा। "नाक दाबे बिना मुंह नहीं खुलता है" इसी वास्ते अभी तो हम गवर्नमेंट से अपील करते हैं कि ठीक तरह से इन सवालों को जल्दी से जल्दी हल करने की कोशिश करनी चाहिए। यही मेरी अपील है।

मुझे श्रीमान् चेयरमैन महोदय जी ने जो आज टाइम दिया खास तौर से झगड़ा करने के बाद जो टाइम मिला है.....

मिस्टर चैयरमैन : झगड़े से नहीं दिया है।

श्री पी० एन० राजभोज : अच्छा प्रेम से दिया ह। आप बड़े उदार दिल के हैं, इस लिये मुझे समय मिल गया है और इसी लिये मैंने अपने सजेशन्स दिये हैं और उम्मीद करता हूं कि इन को आप अमल में लावेंगे। साथ ही अपोजीशन पार्टी वाले लोगों को आप जब तक विश्वास में नहीं लेंगे तब तक ठीक तरह से काम नहीं चलेगा। मैजारिटी तो आप के पास है। मैजारिटी से कोई भी मेंजर पास हो जाता है। लेकिन कभी न कभी झुकना पड़ेगा और झुकने के बिना काम नहीं चलेगा।

इतना कह कर मैं चेयरमैन महोदय को धन्यवाद दे कर समाप्त करता हूं।

श्री भागवत झा : श्रीमान् सभापति महोदय बड़ी प्रसन्नता की बात है कि अब शाम को जब कि सब महानुभावों के बोलने के बाद जो कुछ समय बच रहा है उस में आप ने मुझे बोलने का अवसर दिया यद्यपि हम लोग ठीक आप के सामने पड़ते हैं किन्तु आप की नजर हम पर कम पड़ती है। फिर भी आपका मैं बड़ा कृतज्ञ हूं कि संसद् म इस बेरोजगारी के प्रश्न पर बोलने के लिये आपने समय दिया है। यह जो प्रश्न

बेरोजगारी का इस सदन के सामने रखा गया है, इस पर गत बार से बहस चल रही है। इस में बहुत से प्रश्न उठाये गये हैं। यह कहा गया है कि सरकार इस प्रश्न पर जागरूक नहीं है। यही नहीं, बल्कि इस प्रश्न को ही लेकर पिछली बार हमारे आदरणीय महानुभावों ने जो इधर हैं, इन्होंने इस को एक विशेष प्वाइंट बना कर एंटी अनएम्पलायमेंट डे भी मनाया था। यह बात सत्य है कि सरकार ने एक ग्यारह सूत्री योजना स्टेट सरकार को भेजी है। वह चाहती है कि इस के जरिये हर प्रदेश में बेरोजगारी के प्रश्न को हल किया जाय। इस ग्यारह सूत्री योजना में यह रखा है कि छोटे छोटे उद्योग चलायें जायं, टैक्निकल सबजैक्ट्स पर शिक्षा दी जाय, सड़क यातायात की नीति अपनाई जाय, छोटी आमदनी के तबकों के लिये गृहों का निर्माण किया जाय, आदि आदि। ये बहुत से ऐसे मसलें हैं, जिनके द्वारा हम रोजगार तो दे सकते हैं, जिनके द्वारा हम तत्काल के लिये जो अनएम्पलायड हैं, जो बेरोजगार हैं, उनको रोजगार दे सकते हैं, लेकिन यह प्रश्न इतना छोटा नहीं है कि जिस को हम इस ग्यारह सूत्री योजना के अनुसार हल कर सकते हैं। अगर हमें इस बेरोजगारी के प्रश्न को हल करना है तो हमें इसकी जड़ में जाना होगा, इस की तह में जाना होगा और इस के लिये हमारे सामने कोई दीर्घ सूत्री योजना होनी चाहिए। उस दीर्घ सूत्री योजना में हमारा ख्याल है कि बार बार इसी प्रश्न को उठाया जाता है कि जो हमारे पढ़े लिखे आदमी बेरोजगार हैं वह काम नहीं करना चाहते। इस तरफ गवर्नमेंट के जो सदस्य हैं, उन्होंने इस बात पर जोर दिया है कि यह पढ़े लिखे लोग जो बेरोजगार हैं काम करना ही नहीं चाहते और बार बार डिग्निटी आफ लेबर की इस हाउस में दुहाई दी गई है। मैं जानता हूं कि अभी सिर्फ बिहार में हमारे यहां इस साल एक लाख ५० हजार आदमियों ने मैट्रिक पास किया है। सिर्फ मेरे एक डिवीजन में चार हजार ग्रैज्यूएट अनएम्पलायड हैं।

ऐसी हालत में जब यह फीगर हमारे सामने हैं और यह बात यहां पर बार बार कही जाती है कि ये सबके सब देहात की तरफ से शहर की ओर भागने लगे हैं और जहां तक मुझे याद पड़ता है पिछले अवसर पर भी जब इस विषय पर हाउस में बहस चल रही थी, इस देहात से शहर की ओर ड्रिफ्ट का बार बार जिक्र किया गया, मैं पूछना चाहता हूं कि क्या कभी उन्होंने इस ड्रिफ्ट के कारणों के ऊपर भी सोचा है कि ऐसा क्यों है? क्या यह ड्रिफ्ट इस कारण नहीं है कि गांवों में जमीन पर जो लोग आज काम करते हैं, उनके लिये पर्याप्त जमीन उपलब्ध नहीं है, इस कारण विवश होकर उन लोगों को शहर की ओर भागना पड़ता है क्योंकि वहां उनकी जीविका का प्रबन्ध नहीं हो पाता और मैं समझता हूं कि हमारा बार बार यह कहना कि गांवों में जो पढ़े लिखे आदमी हैं, वह खेती बाड़ी का काम नहीं कर सकते हैं, कुदाल नहीं पकड़ सकते हैं या हल नहीं जोत सकते हैं और इस कारण वह शहर की ओर भाग रहे हैं, उचित नहीं है। असल में प्रश्न यह है कि आज देहात में जो आबादी है वह जरूरत से ज्यादा है। मैं आपको बतलाऊं कि एक किसान जो गांव में खेती करता है, उसके तीन लड़के हैं, एक मैट्रीकुलेट है, दूसरा ग्रेजुएट है और तीसरा एम० ए० है, वह बूढ़ा किसान चूंकि उसके पास सिर्फ ३०, ४० या ५० बीघा जमीन है, इस लिये वह अपने बेटों से कहता है कि देखो भाई मेरे पास जो जमीन है वह सिर्फ मेरे काम के लिये काफी है और विवश होकर उसे अपने लड़कों को काम की तलाश

[श्री भगवत झा]

में घर से बाहर निकालना पड़ता है। यह उदाहरण देकर मैं आप को यह सिद्ध करना चाहता हूं कि वह जो उसके लड़के शहर को जाते हैं तो इस कारण नहीं कि वह डिगनिटी आफ लेबर नहीं समझते बल्कि इस लिये क्योंकि उनके पास काफी जमीन नहीं है जिस पर वह काम कर सकें। आपका सदा यह आक्षेप रहता है कि पढ़े लिखे लोग डिगनिटी आफ लेबर नहीं समझते, तो मैं आपसे पूछूं कि क्या आपने उन लोगों को जो पढ़े लिखे नहीं हैं, उन सबको आपने रोजगार दे दिया है ? जैसा मैंने पहले बतलाया यह देहात से शहर की ओर डिपट इस कारण से है कि वहां पर जितनी आबादी है उसके वास्ते खेती करने के लिये जमीन नहीं है। सरकार ऐसे आदमियों को जो चाहे पढ़े लिखे हों या न हों लेकिन डिगनिटी आफ लेबर में विश्वास करते हैं, उनको भी सबको रोजगार मुहया नहीं कर पाई है। अभी भी ऐसे आदमी हैं जो काम करना चाहते हैं लेकिन उन्हें काम नहीं मिलता है और पढ़े लिखों को तो जाने दीजिये क्योंकि आप कहते हैं कि वह डिगनिटी आफ लेबर में विश्वास नहीं करते, लेकिन जो अनपढ़े हैं और डिगनिटी आफ लेबर को समझते हैं और काम करना चाहते हैं, अगर आप उन सब को काम पर लगा सकेंगे, तभी उसके बाद आप यह कह सकते हैं कि कि पढ़े लिखे आदमी काम नहीं करते हैं।

दीर्घकालीन योजना में सबसे बड़ा प्रश्न जो उठाया गया था वह शिक्षा के बारे म था। आप एक तरफ तो यह नारा बुलन्द करते हैं कि ये पढ़े लिखे आदमी काम नहीं करते हैं और यह वर्तमान शिक्षा प्रणाली बड़ी बुरी तथा दोषपूर्ण है और इस बात पर सिर्फ इस तरफ के सदस्यों ने ही नहीं, बल्कि उस तरफ के सदस्यों ने भी जोर दिया है कि वर्तमान शिक्षा प्रणाली ऐसी है जिसमें विश्वविद्यालय रूपी फैक्टरियों से हर साल बी० ए० और एम० ए० की डिग्री प्राप्त करके नवयुवक निकलते हैं, जो कि बाहर निकलने पर बिल्कुल बेकार और निकम्मे साबित होते हैं, मैं आपकी बात मान लेता हूं कि आज कल जो बी० ए० और एम० ए० निकल रहे हैं वह सब बेकार और नालायक हैं और उनको कोई अनुभव नहीं होता, लेकिन आपके सिर्फ इतना कह देने भरसे तो प्रश्न हल नहीं हो जाता। मेरा तो कहना है कि जब हम यह समझते हैं कि आज की शिक्षा पद्धति दोषपूर्ण है और ग्रेज्युएट और एम० ए० ढालने वाली ये फक्टरियां किसी काम की नहीं हैं तो सरकार की ओर से इन फैक्ट्रीज को डिमालिश करने के लिये क़दम उठाया जाना चाहिये, इनको नया बनाये और अगर दशा यहां तक पहुंच गई है कि आपकी शिक्षा पद्धति नई नहीं हो सकती है तो कम से कम इन फैक्ट्रीज़ को तो आपको बन्द कर देना चाहिए। जिनसे ऐसे बेकार आदमी निकलते हैं, जो कोई काम नहीं कर सकते हैं। आज जब हमारे शिक्षा मंत्री और दूसरे मंत्रीगण इस बात को मानते हैं कि आज की शिक्षा पद्धति ऐसे लोगों को निकालती है जो किसी काम के नहीं होते, तो हमारी सरकार का कर्त्तव्य हो जाता है कि वह शिक्षा पद्धति में सुधार करे और उसको नया रूप दे और मैं पूछना चाहता हूं कि सरकार ने इस दिशा में अब तक क्या किया है ? क्या यह उचित है कि ऐसे अवसर पर हमारे केन्द्र के शिक्षा मंत्री महोदय और बाकी राज्यों के मंत्री चुपचाप बैठे रहें और हाथ पर हाथ रखकर तमाशा देखते रहें और जानबूझ कर ऐसी शिक्षा पद्धति को कायम रखे रहें जो ऐसे आदमियों को तैयार करती है जो अपने

परिवार के लिये ही नहीं, बल्कि समाज और देश के लिये भारस्वरूप होते हैं और देश पर बोझ बनते हैं। उस योजना में पूर्वे कैम्प खोलने का सुझाव है जहां नवयुवकों को इस बात की ट्रेनिंग दी जायेगी कि लेबर में डिगनिटी है, उनको एक नई दिशा की ओर ले जाने की कोशिश की जायेगी और आज जो नवयुवक डिग्री लेकर निकलते हैं वह लेबर की डिगनिटी नहीं समझते, उनको वहां पर यह सिखाया जायेगा कि डिगनिटी आफ लेबर में विश्वास करो. मैं इस सुझाव का हृदय से समर्थन करता हूं और आप अवश्य ऐसे कैम्प खोलिय लेकिन मैं आपसे कहना चाहता हूं कि आप उन कैम्पों और फैक्ट्रीज के लिये क्या उपाय करने जा रहे हैं जहां से लाखों और हजारों नौ-जवान प्रतिवर्ष शिक्षा प्राप्त करके निकलते हैं और उनको काम नहीं मिलता, आप यह जानते हुए कि वर्त्तमान शिक्षा प्रणाली दोषपूर्ण है, उसको कायम रखे हुए हैं, जिस शिक्षा पद्धति का कोई उद्देश्य नहीं है जो हमें यह नहीं बतलाती है कि विद्यार्थी स्कूल और कालिजों से निकलने के बाद जीवन संग्राम में किस तरह अपना पार्ट अदा कर पायेंगे, ऐसी प्रणाली को कायम रखना सर्वथा अनुचित और गैर जरूरी है। इस लिये मैं समझता हूं कि दीर्घ सूत्री योजना में जो छोटी छोटी इंडस्ट्रीज का जिक्र है, वह सब ठीक है, लेकिन उसमें साथ ही साथ बेरोजगारी के प्रश्न को हल करने के उपाय की ओर हम सबको विचार करना चाहिए ताकि सदा के लिये हम अपने देश से इस बेरोजगारी के प्रश्न का हल कर सकें।

हमारी औद्योगिक नीति में आवश्यक सुधार किये जाने चाहिए और हम इस बेरोजगारी के प्रश्न को अपनी औद्योगिक नीति में सुधार करके भी हल कर सकते हैं। इस सिलसिले में मैं आपका ध्यान सदन की एक माननीय सदस्या की ओर दिलाना चाहता हूं जो इस समय उपस्थित नहीं हैं, उन्होंने पिछली मर्तबा जब इस पर बहस हो रही थी, कहा था कि मैं खादी में विश्वास नहीं करती और इस खादी उद्योग को प्रोत्साहन देने के हेतु सरकार जो रुपया खर्च करती है, वह सब व्यर्थ खर्च करती है, व्यर्थ उन माननीय सदस्या की दृष्टि में हो सकता है, क्योंकि यह तो ठीक ही है कि खादी में बीस पच्चीस रुपये में लहरदार और चमकदार साड़ी और धोती बंगलौर की तरह तो नहीं बन सकती है जो कि वह पहनती हैं या दूसरे सदस्य लोग पहनते हैं; लेकिन मैं पूछूं कि क्या हमारा उद्देश्य ऐसी सस्ती और चमकदार चीजें बनाना है? क्या हमारा उद्देश्य खादी उद्योग को बढ़ावा देकर देहातों में फैली हुई बेरोजगारी की खत्म करना नहीं है और जब हम इस बात पर सहमत हैं तो फिर हमें इन छोटे छोटे उद्योगों से काटेज इंडस्ट्रीज से जो चीजें बन कर निकलती हैं, उनको जो पच्चीस तीस परसेंट मंहगी पड़ सकती हैं उनको अपनाने के लिये तैयार रहना चाहिए। आज इस बात की बड़ी जरूरत है कि हम देश में छोटे छोटे उद्योग धंधों को प्रोत्साहन दें और ऐसा करके हम अपने देश में एक बहुत बड़ी तादाद में लोगों को काम दे सकते हैं। क्या आप इस बात को नहीं मानते हैं कि यह देश कृषि प्रधान देश है और यह उद्योग प्रधान नहीं हो सकता है हम चाहते हैं कि विकेन्द्रीय-करण के जरिये हम देहातों में ऐसे उद्योग धंधे निकालें, ऐसे छोटे छोटे धंधे निकालें जिनसे हम सबको रोजगार दे सकें। यह मानते हुए कि काटेज इंडस्ट्रीज मंहगी पड़ती हैं, लेकिन चूंकि इनके जरिये हम बेकारी की समस्या एक बड़ी हद तक दूर कर सकते हैं हमें इनको अपनाना और प्रोत्साहन देना चाहिए। मैं ग्यारह सूत्री योजना में

[श्री भगवत झा]

जो छोटे छोटे धंधों का जिक्र है उनका पूर्ण रूप से समर्थन करता हूं ।

इसके अलावा मैं समझता हूं कि हम अपनी आयात और निर्यात नीति में परिवर्तन करके रोजगार को बढ़ा सकते हैं और बेकारी को दूर कर सकते हैं और जैसा श्री पटनायक ने सुझाव दिया मैं भी सोचता था कि अगर हम आज अपने आयात और निर्यात पर कंट्रोल करके उन चीजों को अपने देश में बनाकर बाहर भेजें तो हम इस तरह काफी लोगों को देश में काम दे सकते हैं और बेकारी की समस्या हल कर सकते हैं ।

इस लिये अगर इन चीजों पर दोनों योजनाओं पर जो मैं ने बतलाई हैं अमल किया जाय तो शायद हम बेकारी के प्रश्न को पूरी तरह हल कर सकते हैं ।

Mr. Chairman: The House will now stand adjourned till 1-10 P.M. on Monday, the 23rd November, 1953.

The House then adjourned till Half Past One of the Clock on Monday, the 23rd November, 1953.